Heads Bank of Toronto

—Jean Merrill.

James Laurie Carson this week became 10th president of the Bank of Toronto at its 92nd annual meeting. He is a past president of the Montreal Board of Trade, a national director of the Canadian Chamber of Commerce, and on the board of the Salvation Army, Toronto General Hospital and YMCA. He has been vice-president of the bank since 1942, was born in Scotland.

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Business Gets New Ottawa 'Head Office'

Howe's Appointment to Trade and Commerce Seen Forerunner of Expanded, Centralized Department for Domestic Industry

OTTAWA (Staff)—This week's Cabinet shuffle sets the stage for a political and business development of the highest importance: a permanent, full-time Department of Trade and Industry.

Traditionally, as a farming, fishery, forestry and mining country, Canada has had full-fledged departments of Agriculture, Fisheries, Mines and Resources. There has also been for many decades, an important department specifically charged with looking after Canada's needs as an export nation. That department was called Trade and Commerce.

But "industry" in the sense of domestic business, manufacturing and development, has never had a department charged with looking after its own problems and needs. Under the new management of Rt. Hon. C. D. Howe, that gap will now be filled.

(Other Cabinet changes this week: Rt. Hon. Ian Mackenzie was appointed to the Senate; Hon. M. F. Gregg, V.C., succeeded him as Veterans' Affairs Minister; Hon. J. A. MacKinnon succeeded Gregg as Fisheries Minister).

Phenomenal Expansion

During the war, the needs and especially the expansion of industry in Canada, has been Mr. Howe's special interest. Under his direction, more than $1 billion of new wartime plant expansion took place in Canada. Since then, Canadian industrial growth has been at the phenomenal rate of at least $1.5 billions annually. Once again that growth and development has become Mr. Howe's special responsibility, because of dollar-saving controls and capital import restrictions.

Whether the name of the department will be changed to conform to its new responsibilities, is not a matter of great importance. The present name has been on the statutes since 1892, might well last another generation or two. But there is no doubt that under Mr. Howe, a very fundamental change is expected in the scope and significance of this branch of government.

What might have happened was the setting up of a new Department of Industrial Development (under Mr. Howe) to carry on the program of integration and development involved in dollar-saving program. Instead, the control, planning and development powers now vested in Mr. Howe as Minister of Reconstruction and Supply, will become a new "wing" of Trade and Commerce. For example, a firm which wants to get steel or other assistance in planning its export and domestic program, will be able to do all its business at the one stand.

Most of the wartime functions of Reconstruction and Supply are expected to be terminated by the end of the present fiscal year. The name of the department will probably be continued, but most, if not all of its "organizational" functions are expected to disappear. Mr. Howe will retain his personal responsibility for housing, Crown companies, aviation, etc.

Another important result will be the strengthening of staff and executive leadership for Mr. Howe's import control responsibilities. Already a number of top-men like George Heaseman, director of the Trade Commissioner Service, have been "on loan" to Reconstruction and Supply to help out with the import control on capital goods, etc. But until the actual "merger" took place, it was difficult to plan very far ahead or attract a high calibre of assistance into something of indefinite tenure.

Post's New Feature Is Napier Moore

Napier Moore, internationally-known lecturer, wit and editor, this week begins a new regular feature in The Financial Post. Whimsical anecdotes about people and events will comprise the paragraphs of "Napier Moore's Scratch Pad" appearing each week on page six. Mr. Moore is editorial director of The Maclean-Hunter Publishing Co. Ltd.

PRICES

With supplies of home-produced fresh vegetables dwindling rapidly now to an all-time low, there have been, curiously enough, no steep price increases of recent days. King cabbage retains his 15c per lb. crown in Toronto, but there were few in the stores of girth sufficiently great to warrant a $1 price-tag.

Stocks of celery are dropping to zero but prices have remained steady as have the prices of turnips, carrots, onions and potatoes which, however, are in fair supply.

Pending a decision regarding the lifting of the ban on imports of fresh vegetables from the United States, it is believed that some suppliers may be holding back a certain amount of their stock on hand to gain the advantage of rising prices.

Bacon has been selling around 75c lb. (back, 80c to 90c.) but encountering some consumer resistance. One brand, with rind on, found a ready sale at 55c per lb. in Toronto.

Meat — Consumer resistance definitely felt, with customers buying less and favoring cheaper cuts, but not on the scale of a buyers' strike. Trade awaiting ceiling prices; buying only for current needs.

And on the industrial front:

Austerity Excise Tax of 25% removed from oil burners and equipment, air conditioning equipment and parts and sporting goods.

Aluminum Up Cent a Pound

MONTREAL (Staff) — Aluminum Co. of Canada announced an increase of one cent a pound for aluminum ingot this week. This brings the price up to 15c lb. delivered destination in Canada or 15c lb. f.a.s. Canadian port for export. New price became effective Jan. 19.

The price of this metal has increased approximately 13% over the past 15 months. In November, 1946, the price was increased from 13¼c lb. to 14c. In announcing the new price, Alcan states that it hopes the present price advance, over the longer term, will prove to be only a temporary deviation from the basic trend toward lower prices for Canadian aluminum. Substantially higher costs is the reason given for the price increase.

At 15c lb. Canadian aluminum is now selling at the same levels as the United States metal. Approximately 12% to 15% of Alcan's production or roughly 75 million pounds is sold in Canada. While the 15c price applies to all aluminum ingot sales, it is believed that on large contract sales such as the U. K. order or long-term sales to U. S. customers Alcan will have some leeway in the matter of price.

Extend Special Rates on Some U. S. Imports

OTTAWA (Staff) — The Government has recently passed orders-in-council continuing for an indefinite period some 10 or a dozen tariff concessions on U. S. goods, in effect during the war under wartime authority. Several other tariff items, lowered for the war period, have been extended to March 31, 1949.

One such important item is synthetic yarns imported for use in manufacture of woven cord tire fabric. Trade in this item involves some $3 millions annually and the new tariff item (558g) provides an intermediate tariff rate of 12½% or not less than 12 cents per lb. The prewar rate was 25% or not less than 24 cents. This latter rate would automatically have gone into effect under the new Geneva agreements, had not the Government passed the new order-in-council.

Under the same order, the Government has confirmed until March 31, 1949, an intermediate tariff rate of 7½% and 10 cents per lb. on synthetic woven cord tire fabric. The old rate was 27½% and 40 cents per lb. (tariff item 825a).

Another confirmation affecting goods which were being imported at the rate of about $3 millions annually is "materials for use exclusively in manufacture of synthetic rubber." These are confirmed at free entry under BP, intermediate and general tariff schedules.

Others similarly confirmed at free include: materials imported for plasticizing vinyl resins of a kind not produced in Canada (tariff item 216e); ponderosa pine and California sugar pine (504a); materials not produced in Canada when imported for goods specified in tariff items 238c, 236, 237b, 237c. Other confirmations are an intermediate rate of 20% on gasoline antioxidants when used exclusively in production of gasoline in manufacturers' plants; free entry for riboflavin when used in manufacture of feeds; free entry for waste when used for manufacture into wiping rags; synthetic resin glue at 20% intermediate when used in Canadian manufactures.

Extended until March 21, 1949, at 5% intermediate rate is rubber sheet for use by manufacturers of electric storage batteries (the old rate was 25%). Purpose here is apparently to give Canadian manufacturers continued opportunity to import this sheet until they can get Canadian facilities into operation.

Oil Burners Off Austerity List

Ottawa (Staff) — The Government has decided to remove the 25% dollar-saving excise tax from oil burners, oil-burning equipment and sporting goods. The levy is also lifted from shaving brushes and combs and mirrors costing less than 25c.

Sporting goods equipment includes fishing rods, reels, squash racquets, billiard equipment, polo, bowling, curling, badminton, golf equipment, etc., baseball and football equipment was never included in the tax.

The order is made retroactive to last November.

Ottawa's decision on the question was prompted by a threat of reprisals from the United States. The latter country had intimated that it would increase duties on similar articles manufactured here, and exported to the States, with the result, one official explained, that "we stood to lose more than we would gain."

Machinery, Steel Ban Is Postponed

Difficulty in Building Control Machinery, Brings Respite Until March, on Import Restrictions – Curb to be Retroactive, When Applied

By KENNETH R. WILSON

OTTAWA (Staff) — The Government decided this week to postpone until March 1, the order-in-council ban on imports of machinery and structural steel.

In the House of Commons last month, Rt. Hon. C. D. Howe stated that on and after Feb. 1, tariff items 427 (machinery) and 378, 388, 388A,B,C,D,E, and 393 (structural steel) would be allowed to enter Canada only under special permit. Effective date of this proposed order has now been postponed for one month. The reasons: inability to work out the mechanics of control, sooner.

It is pointed out here that for new capital projects, the dollar-saving restrictions are now virtually in force. That is, no business can today risk starting a new project which will require U. S. dollar imports in the future, without first obtaining a license from Ottawa.

Day-to-day imports of items under "schedule 30" are not being curtailed or controlled, nor is any one industry under any ban respecting imports of parts or components, with the exception of the automobile industry.

The intention apparently is to wait and see for a month or two, just how the new automotive scheme of "dollar allocation" works out in practice. Other big industries like electric appliances, textiles, etc., have been warned that sooner or later, the same principle of dollar allocation will be applied to them; but there is little present likelihood that action in these or other industrial fields will be taken much before April 1.

Meanwhile, these industries (or some of them) have been warned that any quota or allocation system, when applied, will be made retroactive. In that case, any imports they arrange in the first quarter of 1948 will be charged against their eventual quota. This plan is said to serve as an effective stop-gap on any advance "stock piling" which these industries might be tempted to attempt.

Inside News

Biggest Mine Year Ahead?

Canada set a new high mark of $619.1 millions in mineral production in 1947, more than $50 millions above the previous 1942 record. Can output forge still higher? The Financial Post analyzes the question in its annual mining issue (pages 25-36).

Colds Are Costly

By all odds, the common cold is the most costly plague in Canada and the United States today. In this country alone, it represents a yearly loss of $200 millions in wages, production and cost of treatment, not to mention millions of days of personal discomfort (p 13).

Bull Market Unlikely

There is little encouragement for a strong bull market in 1948, McNab's investment manager reports; but to sell all common stocks might be unwise. It would seem prudent, he suggests, to set a middle course, with a modest holding of common stocks for income and possible capital gain during the year. Managed Investment (p 5).

LIFO Inventory Yardstick

How much of 1947's profit is inventory profit—and so, is, nonrecurring? The question is worrying investors and executives, after watching prices mount during the year. One yardstick favored for measuring inventories is the LIFO (last-in-first-out) method, operation of which is explained for Post readers (p 11).

Age Limit for Senators?

A majority of Canadians answering a Financial Post questionnaire favor a compulsory retiring age for Senators, as suggested by a member of the Upper House. There was less support for a proposal that half the Senators be appointed by the provinces instead of by the Dominion Government (p 7).

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V. W. T. Scully Named Deputy For Income Tax

OTTAWA (Staff) — As at Feb. 1, V. W. T. (Bill) Scully will take over the position of Deputy Minister of National Revenue for Income Tax. Mr. Scully is presently Deputy Minister of Reconstruction and supply.

Scully, 48 and an accountant by profession, left his peacetime association with the J. D. Woods interests in Toronto (York Knitting Mills) to manage War Supplies Ltd., and Victory Aircraft. In 1945 he came to Ottawa to be temporarily Deputy Minister of Reconstruction en route to a permanent appointment as deputy head of the National Research Council.

For personal reasons he decided to rejoin his Toronto firm and give up a career in the public service. During the summer his wife and family moved back to Toronto. At that time it was expected that the Department of Reconstruction and Supply would be wound up at the latest by midsummer.

New Bank Pact To Boost Trade With S. Africa

OTTAWA (Staff)—Trade relations between Canada and South Africa are expected to be further improved by announcement this week of the S.A. Reserve Bank that it will henceforth obtain Canadian dollars direct instead of through London.

Benefits of the new plan are: (a) S.A. importers may get Canadian dollars more cheaply, and on an exchange par with U. S. dollars; (b) the Canadian Government can be assured of getting 100 cents in gold or U. S. dollars for the entire net "deficit" on its South African account.

This deficit for 1946 was $60.7 millions. In the first 11 months of 1947 it was almost $60 millions. In the past, there has been continued controversy as to whether Canada received 100% "cash" for this balance. Since it was cleared through London, exchange officials argued it became part of the over-all sterling balance, and was paid for partly in gold and partly by use of the U. K. credit. But Trade and Commerce officials argued that because of South Africa's substantial gold reserves, purchases were made freely and without any curb (as in other parts of the empire) due to dollar shortage.

First Quarter Earnings Higher For B. C. Forest

Production, sales and profits of British Columbia Forest Products for the three months ended Dec. 31, 1947—the first quarter of the current fiscal year—were somewhat ahead of the same period of the previous fiscal year, President E. P. Taylor stated at the annual shareholders' meeting this week in Vancouver.

Directors are confident, Mr. Taylor added, that results of the year ending Sept. 30, 1948, will be satisfactory.

THE NATION'S BUSINESS

Price Control Can't Stop the Inevitable

The return to price controls stores up extra trouble for all of us for the future. It is merely an attempt to postpone the inevitable. Sometime we have to sweat this fever of price maladjustment out of our system and the longer we try to put it off, the more painful the business will eventually be.

Like it or not, the inevitable is that the Canadian price level will stabilize at a substantially higher level than it was at V-E or V-J day.

Wages have been pushed constantly upward. The real cost of living at war's end was camouflaged by assorted subsidies, so that some of the price increase is now merely a payment where it should be (as on a quart of milk) rather than as it was in a hidden form through taxation.

Here's one fact about prices that Canadians have to face up to. The Canadian and the American economies are so closely linked that price levels in the two countries can't long remain far out of line. Because we do so much business across the border, because there is so much "American content" in Canadian production, U. S. prices everywhere affect our own.

Under the Geneva trade agreements, many Canadian producers got favorable access to the U. S. market for the first time in a generation. More and more, as production catches up with demand, that will be another powerful fact tending to level prices between the two countries.

For instance, look at our embargo on beef shipments to the United States. It would seem likely that in coming months that embargo must be lifted. Under the Geneva deal, the U.S. became a big new market for the Canadian meat industry. (Because Britain has never taken much Canadian beef, this development would in no way affect our food for Britain program.)

But what happens when the embargo is lifted? Inevitably the Canadian beef price rises until supply and demand on both sides of the border even up.

We Need Flood of Production

And what's Ottawa going to do then? Is it going to go on trying price control? Will it go in for subsidy? Will it continue to block off an inviting and lucrative trade street? This way leads only to permanent price control and subsidy.

Once the Canadian farmer realizes what is happening to him with this and assorted kinds of tinkering, he's going to be pretty mad at Ottawa. A lot of farmers are already pretty mad about the vain-hope stabilization policy of Mr. Gardiner. After two years and more of accepting a low pegged price for wheat on Mr. Gardiner's promise that such virtue would be rewarded by assured and stable overseas markets later on, the farmer now finds that he has missed dollars on every bushel of wheat he has sold AND the British food contracts are now only on a short term and uncertain basis.

Very serious from the national and international point of view is this: Most of the world is hungry. Never was the need for vast food production so urgent. Nothing will so rapidly correct the present price situation so surely, so swiftly or so well as vast food production.

But price controls and tinkering with markets is certainly not the way to stimulate output. The Canadian farmer may well be confused as to what he should now be planning for the coming crop year.

The only victor in this return to price controls is the CCF-CCL-Communist triumvirate. Throwing its nation-wide and well-organized machinery into gear, and skilfully exploiting every resource of publicity and protest, it succeeded in creating widespread public panic about prices.

But if we're ever going to get our economy straightened around, we've got to call a halt to price controlling sometime. Sometime Johnny has got to start wiping his own nose. Sometime Elsie has got to swim without her waterwings.

As long as officialdom is going to continue rushing in at every sniffle and squeal, our economy will never get going on its own. And unless it does, we're all in for trouble of a super-distilled kind.

• • •

New Orders from Moscow

Above we have dealt with one victory for the CCF-CCL-Communist alliance. Elsewhere on this page, an article tells how that alliance has come about. Canadians will watch its further operations with interest, for never before has there been such a determined and well-organized effort on such a broad front to use every device for the manipulation of public opinion and the pressurizing of governments.

Not all the CCFers are enamored of their new bedfellows the Communists. But it is quite clear that recent weeks have brought a decisive change in Communist strategy.

Canadian Communist policy is funnelled through New York. The Moscow word to New York was, "Pull in your hammer and sickle, pretend you're leftish liberals, support third parties." So Henry Wallace started off, according to the Gallup poll, with an impressive if variegated band of followers.

Passed on to Canada, the third party order inevitably meant support the CCF.

So now, it seems, Stalin's bully boys are going to pretend to be Coldwellites. Watching who does what to whom is going to be interesting.

Three Price Ceilings Back; How Long?-Ask Barometer

OTTAWA (Staff)—A combination of political fear and old-fashioned peeve is stated here as the reasons behind the Cabinet's decision of last week to reimpose price ceilings on fertilizer, meat and butter.

The political fear is downright squeamishness about presumed public resentment against rising prices. The "peeve" is unadulterated annoyance at alleged "profiteering" on the part of business (both big and little).

Certainly, in the case of both butter and meat, the two factors mentioned appear to have worked in combination. In both cases the period of increasingly short supply is at hand. Butter prices during that period might (it is argued) have gone up a further 10, 15 or 20 cents a pound beyond the new ceiling price. Meat is also approaching a period where cold storage stocks diminish until new spring and summer supplies become available.

But on top of these "normal" supply problems, government officials and the Cabinet thought they had evidence that business concerns were guilty of "flagrant" profiteering. The worst offenders are now being investigated to see if there is a case for prosecution. Whether the case will get to the point of action, and whether that action will be successful, remains to be seen. It is this phase which has in part lead the Government to the appointment of a Parliamentary Committee.

Suspect Undue Increases

One alleged case of a price increase deemed neither "just nor reasonable" is the sale of ammonium nitrate by North American Cyanamid from its plant at Welland. The Government has ordered that company to reduce its domestic sale price to a basis of $64.80 a ton, delivered in Eastern Canada. This is said to represent a price f.o.b. the factory of about $59. Price before the "rollback" was ordered was $70.25 f.o.b. Welland.

(This was confirmed at mid-week by an official of the company. He declined to comment on the circumstances surrounding the directive, other than to say: "In these days, you do as the Government says.")

During the war, when the plant was under government

(Continued on page 2, col. 4)

Commies Snuggle Up to CCF

"Pretend You're Something Else" Is the New Order

The orders to Canadian Communists have been changed.

Don't be surprised if Tim Buck comes out one of these days and publicly announces the LPP (Communist) has decided to throw its weight behind the CCF in coming elections.

That's what informed labor men were saying in Toronto this week. They believe it's only a matter of time until the Communists are ready to make this major partyline switch.

The groundwork for the LPP about-face is now being laid, they claim, by current political reversals by pro-Communist unions.

Only a short time ago these same unions were thumping the tub for a Federated Labor-Farmer Party or a free hand in politics. This has now been consigned to the rapidly filling ashcan of discarded Communist party lines.

When the time is ripe, labor men think Buck will say something like this: "In view of the decision of certain progressive trade unions to support the CCF, the Labor Progressive Party, and in the interests of working class unity, urges all progressives to mobilize their forces to elect CCF governments."

As it has in the past, the CCF will officially spurn the Communist glad hand. Recently CCF Leader M. J. Coldwell reiterated that he had not the slightest intention of "entering into any arrangement with the Communists."

If the party line has changed, Coldwell said he knew nothing about it. But it wouldn't surprise him if it had: "It changes frequently," he said. "After all, they were supporting the Liberals in 1945."

Why the Communist Change?

Three explanations are being offered for the back-sliding:

1. Serious falling off in party membership in the last year, due to a growing revulsion against Soviet foreign policy.

2. Sweeping anti-Communist victories in labor unions; first, at the CCL convention last October and more recently, the overwhelming victory of Walter Reuther in the CIO Auto Workers.

3. A directive to co-operate on the North American continent with Third parties wherever they exist.

It is no secret that the order takes a big load off the minds of those directing the trade union section of the Canadian party. They had been badly rattled by recent defeats.

The actual directive ordering the switch is believed to have been issued at a meeting of the "Secret Six" in Montreal some time ago.

The "Secret Six" are pioneers of the old Communist party, as distinct from younger Reds in the C. P.'s illegitimate offspring, the LPP. In recent months feeling has been running high between these two factions.

The old-timers consider the newcomers upstarts. The newcomers think the old-timers are getting stodgy. This conflict, usually kept under cover, has bubbled to the surface recently at labor council meetings.

Back Wallace in N. S.

The directive itself is understood to have come from the U. S. Communist Party. In the U. S. this new line has found expression behind Henry Wallace's third party. In Canada, it hopes to find expression through the CCF.

Those familiar with the tortuous meanderings of the Communists can see no other explanation for recent political somersaults by certain unions.

First it was the CIO Auto Workers (The Financial Post, Jan. 17). This week it was an even more remarkable reversal by the CIO Electrical Workers.

Last week end the executive of the UEW decided to recommend

(Continued on page 2, col. 3)

The Pace of Business

The stock market was even weaker this past week than in the preceding week. All leading Montreal and Toronto Stock Exchange indices moved lower except public utilities in Montreal. Favored base metal and western oil groups showed narrow declines.

Strike cost in 1947 was only 55% of time lost in 1946. Preliminary Labor Department figures show 219 strikes involving 77,995 workers with a time loss of 2.4 million manwork days.

Average stock yields move higher. Average yield of all groups of dividend-paying stocks on Toronto Stock Exchange was 5.33% on Jan. 19, up .11 from previous week and a new high point in yield in more than two years, Moss Lawson & Co. reports.

Leduc oil field has enjoyed major extension as result of successful completion of Imperial Woodbend well. Finding of same water elevation at Woodbend as at Leduc suggests major extension of Leduc field, rather than a new field entirely.

Canadian railways had operating income of $8,427,989 in October ($8,508,707 in Oct., 1946), with 10-month figure of $38.3 millions vs. $44.7 millions in 1946.

Wholesale sales dropped 9% in November from previous month, but were 16% above sales in November, 1946, according to wholesalers in nine lines of trade. Index for November was 297.1 vs. 325.2 for October.

Car loadings increased 3,081 cars (4.3%) to 74,300 cars the week ended Jan. 10, compared with same 1946 week. Main increases were: fresh or green vegetables—1,155 cars vs. 480; livestock—3,190 cars vs. 2,305; ores and concentrates—2,040 vs. 1,566.

Rubber consumption dropped from 5,410 tons in October to 5,178 tons in November, but reclaim use mounted from 1,397 to 1,417 tons.

Higher gold output was shown in October at 258,765 oz., up 4.5% from previous month, and 7.3% from same 1946 month.

What About Dom. Surplus If U. K. Loans Deducted?

OTTAWA (Staff) — The Government's current account surplus in December was $73.3 millions. For nine months the record shows a cumulative balance of $646.2 millions in taxpayers' favor. This means that for every $3 the Government now collects in taxes and other revenues it spends $2 and saves $1.

How long will this go on?

Federal officials keep warning that expenses will be higher in the next months and revenues lower. But they don't deny that it will be hard to avoid a current account surplus of close to $700 millions for the 12-month period.

But before the taxpayer throws his hat too high in the air, let him heed the warning put out consistently in recent months that the $700 millions is a "phoney" surplus. Why phoney? Because it fails to account for the heavy capital outlays by way of loans to Britain and foreign governments.

Last month these advances were $55 millions, of which $40 millions went to the United Kingdom. Deduct them from the current account surplus of $73 millions and the net figure is only $18 millions—or so the argument goes.

In the present fiscal year we've advanced $428 million in export credits, of which $323 millions went to U. K. Since our export credit policy started, the grand total of such advances has been close to $1.4 billions.

To date and under the traditional system of government accounting in Canada, these advances have been treated as capital items. Just another "loan or investment," like loans to the CNR or advances under the housing or veterans' legislation. That isn't what happens in United States where the government accounts are kept on the "cash" basis.

In that country the year's accounts show as disbursements everything paid out by the Treasury whether it is on current or capital account.

We in Canada don't follow that system in view of the huge current surplus and a very substantial "contra account" in the capital column, the surplus as now shown, may be just kidding the taxpayers.

One problem about "writing down" the capital advances is that by so doing we may leave the implication that the advances aren't good bets and aren't likely to be repaid. Perhaps some of these advances won't be repaid in full, but would it be wise for Canada to assume this now? What chance is there of country "X" bothering to make the effort to meet her loan and interest payments if we in Canada are going to write off the obligation?

Certainly Mr. Abbott may be expected to have something to say about this in his next budget speech. Whether he changes his system of accounts and uses the capital payments to deflate his surplus isn't yet clear. But he'll point out at least what is actually going on; may use this as an excuse for deferring very substantial tax relief.

Three Price Ceilings Return

(Continued from page 1)

ownership but operated by the same company on behalf of the Crown, the price delivered in Eastern Canada was $53.50. Since that time there has been an increase in freight rates of about $1 a ton.

Other cases of unjustifiable increase are allegedly to be found in meat prices, where immediate increases all along the line and irrespective of inventory position or "timing," are alleged to have been made.

Even if the meat packers' case turns out to leave no grounds on which prosecution could be based, the Government is highly incensed at what it believes to be an unfair advantage taken by these firms of the price announcement following new British contracts. It is argued (1) that there is considerable time lag, in that it takes three to four weeks to cure bacon and that no account was taken of this by the packers (2) that the "overnight" increase in veal and lamb prices (prices not directly affected by the U. K. contracts) was quite unjustifiable, in view of heavy storage inventories.

Even admitting the justification of the "replacement cost" theory of pricing, it is argued that a return of price control might have been avoided altogether if the packers (and some distributors) had taken the whole situation more quietly and not rushed pell-mell in to a countrywide jackup.

Warning to Vendors

Had the Government taken no action, there is no doubt that it might be in for an uncomfortable three or four months as prices on many food items continued to rise. As matters now stand, it has comforted itself by serving warning on producers and distributors. How much authority lies behind that warning—beyond an obvious and not unimportant psychological threat—remains to be seen.

For the longer term, ultimate success or failure of this return to partial or selective price control will probably depend on the coming season's crops and weather. Any shortage of crops or foodstuffs on this continent or throughout the world in 1948 can be expected to maintain or boost prices still further. On the contrary, an abundance of foodstuffs in the next growing season might "call the turn" and enable the Government to ease itself out of its present position.

The party calculated to make most out of the present dilemma is undoubtedly the CCF: Last December it urged an amendment to the government motion which would extend price control authority from Dec. 31, 1947 to Dec. 31, 1948. Now, belatedly, the Government has announced its intention to ask that these powers be extended until March, 1949.

As well, any evidence that business has been "profiteering," or has made itself liable to prosecution under the Transitional Powers Act, would be fine fuel for CCF fires.

Communists Get New Party Line

(Continued from page 1)

to the quarterly convention this week end at St. Catharines, "adoption of an election policy of organizing and mobilizing our membership and labor supporters . . . to aid in bringing about the election of CCF governments, both provincially and federally."

If the UEW rank and file is true to form, there was no doubt that the recommendation would be endorsed.

These Signs Point the Path

Other signs, now fitting in the jigsaw puzzle, go back still further. The abject apology of the tough CIO Woodworkers of British Columbia to the Canadian Congress of Labor now begins to make sense.

The Woodworkers called the CCL some nasty names in its union paper over the licking the Reds took at the CCL convention. The CCL demanded a retraction and surprisingly (at the time) got it. Now it's not so surprising.

Then the LPP in Saskatchewan announced it would not run candidates in that province if a CCFer was in the field. Up to now, LPP policy has been to oppose the CCF at the drop of the hat. Other straws in the wind have been unusually friendly references to the CCF by known Communist labor leaders.

Significantly, the Ontario Federation of the Trades and Labor Congress (AFL) (150,000 members) last week end decided on a campaign of political action against the "two old line parties." The CCF wasn't officially mentioned as the alternative but there seemed to be little doubt that in practice, only the Socialists could benefit. (See Labor Roundup, page 9).

ANNOUNCING

Important Appointments in Canadian Industry, Finance, Business and Government.

E. A. Alm (Vancouver)—N. D. Andrew, insurance manager.

Burnett Ltd. (Montreal)—Sydney D. Denman, vice-president.

Brockville Trust & Savings Co.—A. E. Hetherington, secretary.

Bank of Toronto — F. H. Marsh, chairman of board; J. L. Carson, president; B. S. Vanstone, vice-president; L. G. Gillett, general manager; C. D. O. McGill, assistant superintendent, B. C. branches.

Bank of Montreal — S. A. Shepherd, manager foreign exchange department.

Britannia Mining & Smelting Co. E. G. Roper, general manager.

Canada Roof Products Ltd. — A. W. Jones, manager, Vancouver.

Canadian Industrial Traffic League — G. R. Bolton, chairman, B. C. division.

Canadian Bank of Commerce — Francis P. Wilson, a superintendent, head office (Toronto); F. N. Thomas, assistant supervisor, foreign exchange department (Toronto).

Cornell McGillivray Ltd. (Halifax)—Ronald G. Campbell, a representative.

Canadian Farm Loan Board—T. F Donnelly, commissioner and chairman; Adrien Beaulieu, John C. Murray, members; J. A. Proulx, chief executive officer for Quebec.

Canadian Fire Insurance Group—Geo. F. Watts, manager, British Columbia branch.

Canadian Retail Federation — A. J. Dugal (Montreal) president; R. R. Johnson (Montreal), J. B. Chapple (Fort William), A. E. Hodge (Falconbridge), H. R. Renault (Beauceville) Jas. Wilson (Saint John), H. W. Wylie (Hamilton) vice-presidents.

Central Mortgage & Housing Corp. — R. G. Clauson, prairie regional loans manager (Winnipeg).

Canadian Bank of Commerce — Francis P. Wilson, a superintendent, head office (Toronto).

Dominion Life Assurance Co. (Waterloo) — K. S. Rabb, assistant treasurer; R. G. Paul, assistant secretary; A. A. Morison, sales promotion manager.

Ford Motor Co. of Canada — Harry R. Bradley, sales executive assistant, Windsor head office.

F. H. Hayhurst Co. — Fred J. Butler, a director; F. H. Chisholm, account executive.

Industrial Acceptance Corp. — W. H. Brown, manager, Victoria.

McKim Advertising Ltd. — Wm. J. Sandstrom, manager, Vancouver office.

Manufacturers Life Insurance Co.—Dr. T. C. Dunlop, assistant medical officer; Norman M. Anderson, secretary, in charge group department.

Minnesota & Ontario Paper Co.—S. J. O'Connor, manager, Washington office.

Northwestern Utilities Ltd.—Cyril L. Metcalfe, secretary.

National Trust Co. — H. H. Wilson, J. G. Hungerford, assistant general managers.

Provincial Bank of Canada—J. U. Boyer, H. Duval, C. E. Prefontaine, directors.

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Prudential Assurance Co. — A. B. Stoddard, supervisor, Cumberland, Colchester, Pictou and Antigonish counties, N.S.

Premier Trust Co. — John H. Swain, manager, Toronto office.

Pacific National Exhibition — Prof. H. M. King, president.

Powell River Co. — W. D. Hagenstein, a member, forestry department.

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Rubberset Co. — D. W. Campbell, advertising manager (Toronto).

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St. Regis Paper Co. — A. B. Recknagel, technical director, forestry department.

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Worthington Pump & Machinery Co. (Harrison, N.Y.) — Henry H. Ritchotte, regional sales manager in Canada (Toronto).

Wood Meen Ltd. (Toronto) — W. H. Meikle, treasurer and director in charge of office management.

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Jan. 24, 1948

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Auto Import Quotas Set May Save $50 Million U. S.

OTTAWA (Staff) — Plans for the saving of between $40 and $50 millions annually in U. S. exchang via the Canadian automotive industry neared approval here this week. Announcement is expected shortly.

The new system of "dollar allocation" applies only to United States imports. All "non-scheduled" or soft currency nations are allowed a combined "Quota" of $5 millions of imports without any control. This provision is to enable British car manufacturers to retain and expand their Canadian market. Italian, French and other cars would be eligible also under this general provision.

The basic plan of restriction for imports from United States is substantially as reported in the Financial Post of Jan. 10 Chief alterations made during the intensive discussions of the past few weeks have been with a view to liberalizing the incentive to Canadian firms to produce cars for export in dollar markets. Ford of Canada is expected to benefit especially by these changes.

Under the plan of "dollar allocation" all firms will be given a quota of so many U .S. dollars for use in buying parts and or completed cars. This basic dollar quota is then multiplied by the number of units produced or imported in the base period. The resultant dollar figure represents the number of U. S. dollars which individual importers will have to spend. How they spend these dollars in 1948, whether for parts or finished cars is then a matter for individual choice. The assumption is that almost all the money will be used to import parts and components.

The effect on Canadian car manufacturers so far as employment is concerned is not considered very restrictive. It is hoped that by mid-year the curtailment of parts imports will be offset either by higher domestic production of these parts or by higher earnings and employment due to increased exports to dollar countries.

Spring Butter Shortage Looms; Prices at Pre-ceiling Levels

Use ceiling-price butter on your bread now — it may be in short supply in three months at any price.

That's the word being passed along by wholesalers, and those in touch with Canada's dairy and butter situation.

On average per capita use, stocks in store and estimated production will be 10 million pounds short of what's necessary to carry us through to the seasonal late-April or May upturn.

Finance Minister Abbott, in announcing the return of butter and meat ceilings, no doubt had this in mind when he said: "The Government has also initiated discussions with a view to securing access to additional supplies of butter should current stocks and production prove insufficient to meet essential requirements until the new season of production gets under way."

Solutions to the shortage reported to have been discussed in Ottawa were:

(1) Let the law of supply and demand take care of the situation;

(2) Rationing;

(3) Import New Zealand butter;

(4) Allow manufacture of oleomargarine.

Rationing and oleomargarine received scant consideration; New Zealand imports were held doubtful since that country is limiting consumption in order to supply the United Kingdom.

That's the supply picture. Prices found most large stores selling one to two cents under the new ceiling of 73c lb., or at the same price as just before the ceiling was imposed.

ATTENTION, EMPLOYERS

Married man, 33, experienced in accounting, auditing, office management, desires permanent position with a progressive concern where initiative and executive ability will secure the future. Telephone ORchard 6220 or apply Box 103, The Financial Post, Toronto.

T.S.E. Short Interest Up

The semimonthly short selling report of the Toronto Stock Exchange as of Jan. 15, shows the aggregate short positions, eliminating odd lots, on the books of member firms, at 437,110 shares of 140 issues, compared with 412,125 shares of 125 issues on Dec. 31.

Stock	Shares	Stock	Shares
Abitibi	500	Joburke	2,000
Abitibi Pr.	200	Kenville	10,000
Algoma Steel	100	Kerr Addison	1,200
Amal. Larder	2,000	Kirk. Lake	100
Anglo Cdn.	700	Labrador	[illegible]
Anglo Rouyn	1,500	Laguerre	5,000
Argus Corp.	1,175	Lake Wasa	1,500
Armistice	2,000	Lamaque	100
Ashley	1,000	Lapaska	16,000
Bear Explor.	8,500	Laura Secord	325
Beaulieu	13,000	Lingman L.	1,500
Bell Telephone	25	Loblaw A	25
Bevcourt	4,500	Do. B	50
Bidgood	1,000	Louvicourt	13,000
Brand & Mill. A	600	Lunward	1,000
Brazilian	800	MacDonald	6,700
B. C. Forest	1,700	MacLeod	3,800
Brit. Domin.	6,000	Madsen R. L.	2,400
Brown Co.	300	Magnet	3,000
Buffadison	21,500	Malartic G. F.	1,200
Buff. Ankerite	1,800	Marcus	7,000
Calgary & Ed.	4,200	Massey-Harris	550
Calmont	1,000	Milton Brick	300
Campbell R. L.	100	M. & O. Paper	600
Can. Cement	250	Mont. Loco.	100
Cdn. Brew.	1,700	Mylamaque	3,000
C. P. R.	2,200	Negus	10,600
Cent. Patricia	5,200	Newnorth	500
Cent. Porc.	2,500	New Norzone	2,000
Chesterville	3,000	Normetal	500
Cochenour	1,500	O'Brien	600
Coniaurum	1,000	Ogama Rock.	1,000
Cons. M. & Sm.	50	Okalta Oils	10,300
Cons. Paper	250	Orange Crush	100
Detta R. L.	2,500	Osisko	45,500
Discovery	1,500	Osulake	500
Diversified	19,400	Pacific Pete	5,500
Dome	100	Pen-Rey	6,000
Dom. Coal Pr.	125	Perron	1,100
Dom. F. & St.	1,825	Porc. Penin.	500
Dom. Stl. B.	500	Porc. Reef	5,500
Dom. Stores	25	Preston E. D.	1,000
Dom. Textile	200	Queenston	500
Donalda	17,100	Quemont	300
Dulama	2,000	Roxana	1,500
Duquesne	500	St. Law. Corp.	400
East Malartic	5,100	San Antonio	700
East Sullivan	300	Sand River	1,000
Eldona	31,800	Sannorm	2,500
El Sol	1,000	Senator	1,000
Eureka	3,700	Shawkey	500
Fleet Mfg.	1,800	Sher. Gordon	1,000
Foothills	500	Silanco	500
Gen. Bakeries	200	Silver Miller	33,000
Gen. Stl. Wares	200	Simpsons A	25
Giant Y'fe	200	Do. B	300
Globe Oil	2,000	Sladen Mal.	1,000
God's Lake	1,500	Springer Sturg.	600
Golden Manitou	200	Steep Rock	7,200
Goldvue	1,000	Thomp.-Lund.	500
Gr. Lakes Pap.	500	Thurbois	500
Guayana	2,000	Toburn	560
Gypsum	200	Un. Fuel B	100
Hasaga	500	Un. Steel	1,025
Heva	4,500	Waite Amulet	100
Home Oil	5,100	Walkers G & W	50
Hosco	2,000	Wiltsey Cogh.	2,000
Imp. Oil	200	Winnipeg El.	1,450
Int. Nickel	325	Wr. Hargreaves	100
Int. Paper	300		
Int. Uranium	1,500	Total	437,110

Classified ADVERTISEMENTS

Classified ads. cost 4c. per word and figure for each insertion. Minimum ad. 12 words. Add six words when box number is required. When replies are to be mailed to advertiser, add 10c. Classified ads. payable in advance. Contract rates on application.

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JUST ARRIVED Canada following 21 years exceptionally successful experience in automotive, electroplating and general metallurgical fields — both practical and administrative. Efficient organizer, energetic, fully adaptable. References describe personality as dynamic. Single, possess new car. Excellent references. E. L. Taylor, c/o Royal Bank, King & Yonge Sts., Toronto.

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REAL ESTATE

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$30,000 —MONTEBELLO, Que. adjacent to the Seigniory Club, on the Ottawa River. Unexcelled fishing and hunting in the immediate district. The house, completed in 1946, is fully insulated; heated by a Howard Air Conditioning Unit with oil. Large two storey living room 19' x 28'; dining room 19' x 11' 10"; modern kitchen including electric stove and store size refrigerator; six bedrooms; two marble bathrooms. Self-contained servants quarters; spacious recreation room 30' x 21' over large attached garage. All interior walls are finished in beautiful knotty pine; floors are of marble, travertine, and clear birch with inlaid linoleum in the kitchen and bathrooms. Land consists of 15 acres bordering the river. All dining-room furniture of custom built cherry-wood is included. Immediate occupancy. Exclusive listing.

For further particulars call or write RHODES & RADCLIFF, Members Ottawa Real Estate Board, 46 Elgin St., Ottawa, Ontario. Telephone 2-5372.

NOTICE

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BOX 102, THE FINANCIAL POST, TORONTO

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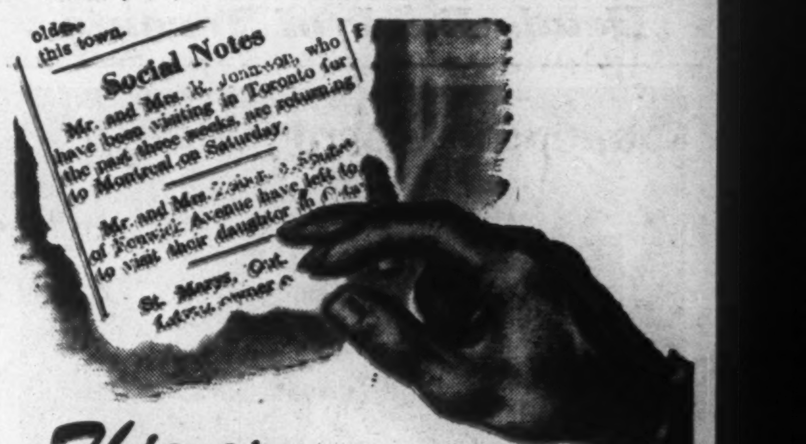

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Simpson's THE STORE FOR MEN Second Floor TORONTO

Material Prices Up 20% in 10 Months Sharpest Upsurge Since World War I

By CLIVE CHATTOE

Further early year price hikes for two or three premium-demand building materials would surprise few construction men. Most expect new wage demands from organized labor in several key trades. But the current relative lull on the price front astonishes no one after last year's ten month spiral, dizziest since 1917 when building material prices jumped an average 26%.

In the four weeks after Sept. 15—when the last price controls were removed from building materials except basic iron and steel—manufacturers and jobbers upped prices more than an average 8%. That rise brought the 10-month average in wholesale prices to a position 20% above the 1946 full year average, their sharpest gain in 30 years.

Reviewing this trend, Central Mortgage & Housing Corp's quarterly summary, Housing in Canada, says combined costs of labor and materials used in house construction rose an estimated 6.9% from July to mid-October, for an over-all increase of 19.7% since the beginning of 1947.

Basing its estimate on an increase of 12% in the composite index of building material wholesale prices between mid-July and mid-October, an estimated rise of 1.8% in hourly wage rates paid to building labor in July, Aug. and Sept., Housing in Canada says these cost increases "will be reflected in the price of new houses to the extent that labor efficiency and contractors' profits remain unchanged."

The report adds that by October, building costs were estimated to be between 76 and 91% higher than in 1939. But it offers no detailed analysis of the added costs of (a) operational delays and off-record premium prices due to shortage of materials; (b) higher contractors' charges in some cases for overhead and profit; and (c) unrecorded premium wage practices and lower worker productivity due to shortage of skilled labor. With these very tangible "intangibles" added, the increase in building costs over those of 1939 stood nearer 100% last fall.

There are other timely findings in the summary.

* * *

Jobs in Construction Are at All-time High

One of the secondary highlights in this issue of Housing in Canada:

Activity in the building industry pushed employment to record levels during the first three quarters of the year. The monthly index of employment in the building industry, based on reports from employers with 15 or more employees, averaged 308.6 during the first nine months of 1947. That is 31% above the level for the 1946 period. It is 13% above the record annual average attained in 1943.

At the end of Sept., demand for construction workers—as measured by unfilled vacancies reported to local offices of the Unemployment Insurance Commission—was more than triple the supply of applicants seeking employment in construction occupations.

Impressive gains were registered in the production of building materials use in house construction. Data on 28 selected items indicated that production during the first nine months of 1947 exceeded corresponding 1946 levels of output in every case. Non-metallic sheathed cable, rock wool batts, bath tubs and domestic heating boilers topped the list with gains ranging from 47 to 66 per cent.

"Housing in Canada" also notes that the wartime rate of net family formation, estimated at an average of 65,000 per year, is proceeding at substantially the same level. A sharp increase in births added to the pressure of population on the nation's supply of housing. A gain of more than 16 per cent was recorded in centres of 10,000 population and over.

Housing unit completions during the first nine months of 1947 proceeded above the rate for 1946 when 67,000 units were completed during the whole year. In 271 municipalities which have made full returns to the Dominion Bureau of Statistics for the first nine months of both 1946 and 1947, 23,019 housing units were reported complete during the 1947 period as compared with 18,474 during the corresponding period of 1946.

Monthly surveys conducted by Central Mortgage and Housing Corporation in 122 municipalities of 5,000 population and over showed that monthly housing starts from July to October, 1947, were more numerous than those of the first six months of the year. The monthly average for July to October numbered 4,700 units as compared with an average of 3,440 from January to June.

It's Your Money

By BRUCE MACKINNON
Maclean-Hunter Editorial Research

In view of the talk of introducing a federal medical and hospitalization program together with a contributory old-age pension plan, the amounts being paid by taxpayers for this sort of thing may be of interest.

This type of payment is classed as a "transfer" payment, money taken from the taxpayer and handed over to another person who may or may not be a taxpayer. In most cases this money is taken from someone who has to earn it, and is given to someone who does nothing to earn it. The virtue of transfer payments is that they tend to equalize incomes; their vice is that they tend to reduce the incentive to work, discourage initiative by keeping taxes high.

Here is the trend of this type of payment:

	$ Millions
1938	263
1939	250
1940	225
1941	198
1942	227
1943	217
1944	264
1945	553
1946	1,103

In terms of the personal incomes of Canadians, these government handouts have increased from 6½% of the total in 1938 to 11¾% in 1946. In a year, Canadians pay twice as much in handouts as it was estimated it would cost to complete the St. Lawrence Seaway.

Whether further forms of transfer payments should be undertaken does not seem to be a question of whether or not the country needs more health services or bigger old-age pensions. No one has much difficulty in lining up worth-while projects for the Government to spend the taxpayer's money on.

The real question is: how much more of the national incentive is it safe to remove by higher taxation?

Expect Offering Jan. 27 McColl-Frontenac Shs.

McColl-Frontenac Oil President J. M. Pritchard states that the offering of the 900,000 common shares of the company can be made on or about Jan. 27. It is planned that subscription warrants will be mailed at that time.

Texas Co. which owns approximately 49.98% of the outstanding common shares intends to exercise all of its subscription warrants, it is stated.

Cost of improvements and construction of the Montreal east refinery and the Toronto lubricant and grease blending plant is estimated to be $11 millions. Further capital and other expenditures are also required, it is stated.

THE ADVERTISING BUSINESS

Here's How Research Claim May Get Okay in New Plan

By WALLACE GILLESPIE

The plan to have an independent "third party" validate the research claims of Canada's advertising media is coming closer to fulfillment.

Directors of the Association of Canadian Advertisers and of the Canadian Association of Advertising Agencies are down to a working plan.

Initially at least, the plan depends upon the availability in Canada of the "research machinery" of the Advertising Research Foundation of New York. Indications that this machinery may shortly be available are seen in the fact that definite offer has been made for a street car card survey, and that this week invitations are being sent to Canadian magazine publishers asking whether an ARF-validated readership survey is desired in the magazine field.

The two Canadian groups—ACA and CAAA—would form an "administration committee" which would work in co-operation with the Foundation in the United States. The Foundation, with 10 years experience in the field, would do the actual supervising.

Partly because of economy and partly because of the contribution which can be made by American experience, this plan was preferred to the immediate formation of autonomous Canadian Advertising Research Foundation.

While two representatives of the U. S. foundation—Stuart Peabody of The Borden Company, past president, and A. W. Lehman, managing director—attended a recent meeting in Toronto to discusss the plan, that body has still to approve the proposal that its research machinery be available in Canada. Approval of the two Canadian groups seems assured, since both ACA and CAAA directors have been endorsing the various steps taken along the line.

The Steps in the Plan

Here is how the system would work:

The Association of Canadian Advertisers and the Canadian Association of Advertising Agencies would each appoint three men to an administrative committee. Then, for the purposes of a particular study, the committee would be augmented by three representatives of the media involved, making a total of nine.

This tri-partite group would then decide what questions it seeks to have answered in the research to be undertaken. Its suggestions are passed on to the Advertising Research Foundation which, in view of the fact that it is asked to give a "stamp of approval" to the finished product, must have the final say.

The Foundation, rather than the media putting up the money, chooses which one of the survey specialists in the field will do the actual work of canvassing the public and asking the questions.

Again, the chosen agency submits its report, not to the media directly, but to the Foundation. The latter may write its own summary. The results, whether favorable to the media or not, will be published; there can be no recall.

Work Only For Group

Up to the present the Advertising Research Foundation has taken the stand that it will undertake to validate only research on behalf of an entire media or association, not on behalf of individual publishers, etc. The question of whether this policy should be altered to permit the validation of readership surveys for particular magazines is said to be again under discussion in the United States.

First extension of ARF service to Canada will likely be devoted to car cards. When the plan was first discussed, R. Gordon A. Galbraith, vice-president of the Canadian Street Car Advertising Co., announced that his company was ready to put money up for a continuing survey, dealing with Toronto and Montreal one year, Vancouver and Winnipeg the next, and so on. It is understood the offer still holds.

The Foundation has not yet entered the magazine field in the United States. It has, however, undertaken continuing surveys of dailies, weeklies, trade papers, farm papers, and street car cards.

Canadian Daily Newspaper Association has already had a tie-in, through the Bureau of Advertising of New York, with the ARF. It is not known at this time how they would fit into the new plan. Radio is still refining its method of quantity measurement through the Bureau of Broadcast Measurement, and it is not thought that this media is yet ready for qualitative measurement in line with the readership surveys undertaken by ARF.

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The TD-24 Crawler is powerful. Its Diesel engine develops 180 horsepower at the flywheel and puts 140 working horsepower at the drawbar for operating giant earthmoving machines.

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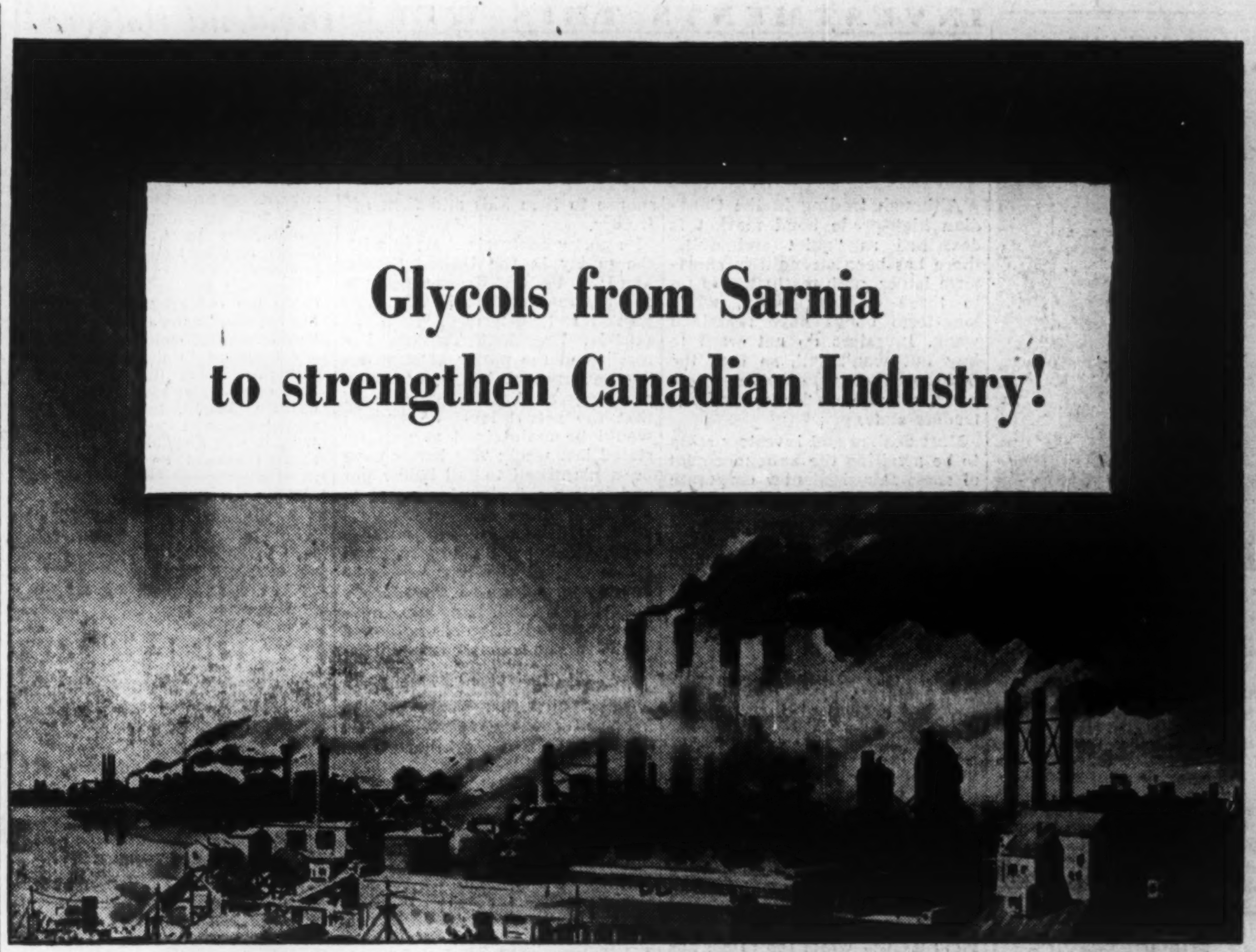

DOW Chemical of Canada, Limited, is pleased to announce that its new Glycol plant at Sarnia is now in production, making available to Canadian and foreign industry a number of essential chemicals of dependable quality. This new production is in addition to the Styron production which has been under way at the Sarnia plastic plant for many months.

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1. ETHYLENE DICHLORIDE, useful for:
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   e) Humecant (tobacco)
   f) Synthetic resins
   g) Soap

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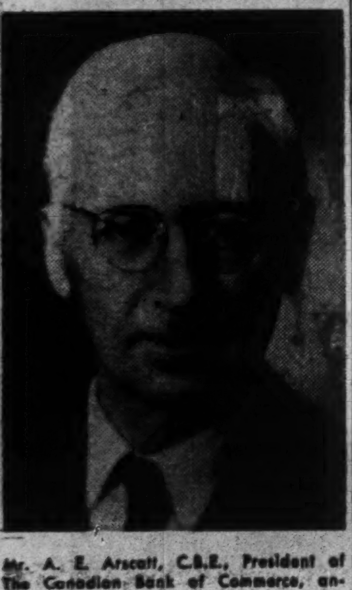
THE BELL TELEPHONE COMPANY OF CANADA

Hon. JOHN HART
Director, The Canadian Bank of Commerce



Mr. A. E. Arscott, C.B.E., President of The Canadian Bank of Commerce, announces that the Hon. John Hart of Victoria, B.C., has been elected a Director of the Bank.

Mr. Hart, who recently retired as Premier of British Columbia, has had a long and distinguished career in financial and public life. He is President of Gillespie, Hart & Co. Ltd., Victoria, one of the oldest investment concerns in Canada. He was Minister of Finance of British Columbia from 1917 to 1924 and again from 1933 to 1947, the latter period including six years also as Premier of the Province. *

INVESTMENTS THIS WEEK

Shorts Strong, Longs Weak In Quiet, Dull Bond Market

Although trading in the Canadian high-grade bond market is described as "quiet and dull," there has been strength in short-term issues, with maturities of up to three or four years, while long-term bonds have remained weak. Investors do not want to buy but won't sell, so that the bond market is on the whole pretty much of an "order market," traders state.

Most dealers and investors seem to be awaiting the announcement of some fair-sized new corporate issue in order to see where the market really stands.

This midweek, the price of the Third Victory Loan 3% bonds due 1953/56 was $103.50 bid to $104 asked, to yield 2.42%, somewhat above its quote of $103 to $103.75 to yield 2.47% two weeks earlier.

On the other hand, Ninth Victory Loan 3% bonds due 1961/66 are quoted $101-⅝ bid to $102-⅛ asked, to yield 2.81%, slightly off on the bid side from the earlier quote of $101-½ to $102-¼, while the 3% perpetuals quoted $100.25 bid to $101 asked are off $0.25 on the bid side and $0.50 on the asked side, from their level of two weeks ago. There has been very little change in the yield rate on Dominion Treasury bills, the last 91-day issue having been sold to yield 0.410% while the range has been from 0.408% to 0.412% for the last few months.

Dealers are still wondering about the Bank of Canada's support level. In the last two weeks the Bank of Canada is said to have bought long-term issues at $102, which is about a 2.83% basis on the Ninth Victory Loan 3%'s. But the bank is standing by its new policy of acting only in response to firm bids and firm offerings.

Its policy contrasts sharply with the policy in the United States. The U. S. Federal Reserve System has announced that it will support its long-term 2½%'s at $100-¼. President Truman has reaffirmed the policy of supporting government bonds, although avoiding a direct commitment that the actual level of support would be maintained at par. He stated last week: "No bonds have been permitted to fall below par and it is the declared purpose to continue active support of government bonds for the purpose of maintaining an orderly and stable market at a new low level of long-term interest rates."

In the United Kingdom, government bonds have strengthened slightly. The recently issued British Transport stock, 3%'s to 1978/88, was quoted £98-7/16 middle price this week, against a low of about £97 shortly after its issuance. British 3% Savings Bonds due 1965/75 are quoted slightly above par, while British 2½% Consols are about £82 to yield 3.05%.

One factor which may have quite an effect on the rate of interest this year will be the demand for new money. J. H. Lithgow, vice-president and general manager of the Manufacturers Life Insurance Co., pointed to this in his remarks at the company's annual meeting last week when he said: "Investment opportunities for the employment of life insurance funds in productive enterprise have opened up substantially in the past two years and capital requirements in prospect on this continent are very large," and later. "The problem may well be one of attracting sufficient capital to enable proper facilities of a productive character to be built."

• • •

B.C. Holders Own Most Stock Of H. R. MacMillan Export

When public participation in the H. R. MacMillan Export Co. was first invited in January 1945, it was specified that no application for shares from points outside British Columbia would be accepted. Almost three years later, and despite a rapid increase in the number, shareholders are still largely from British Columbia, the company's annual report shows.

As at Dec. 10, latest date of record for dividend payments, there were 2,391 holders of class A shares of which 1,035 or 43.0% were in British Columbia, and held 508,859 shares or 68.2% of the total. At the same time there were 632 holders of class B shares, of which 437 or 69.2% resided in British Columbia and held 2,122,979 shares or 94.9% of the total. Residents of Ontario and Quebec held the next largest blocs of shares, 12.8% and 13.1% respectively of the A shares and 3.1% and 1.4% of the B.

It is also revealed that women constituted 42% of the class A shareholders and 27% of the class B shareholders.

• • •

Annual Reports

Referring to the need for more information in annual reports, a reader of The Financial Post writes us as follows:

"The basic idea of a group of people owning a business through share holdings, of varying degrees, and selecting, by vote, certain ones to manage and direct it for them—for which they are handsomely paid—has, in far too many cases, degenerated into the issuing to their fellow shareholders who elected them, once each year—usually two to four months after the 12 months of operations has closed—a specious uninformative director's report accompanied by a profit and loss statement and a balance sheet that often seems designed to inform their fellow shareholders just as little as is legally possible.

"It is worth noting that many of the largest companies give far fuller accounts than some of the smaller ones. United States Steel and C.P.R. are examples which could be followed with advantage.

"The Divine Right of Kings was abolished in 1649, along with the head of Charles I, but by some form of transmigration seems to have reappeared in this modern age as the 'divine' right of executives'!"

"The danger of a select few retaining information as to the favorable, or poor, progress of their company while their fellow shareholders, who elected them, are kept in blissful ignorance, is a point that must be left to the imagination, aided by history.

"Monthly progress reports, provisional quarterly balance sheets and profit and loss statements are issued by some enlightened and progressive companies. Why not by all Canadian companies that are listed on the various stock exchanges?

"Canada seems behind the U. S. in this matter."

It would seem wise for executives to give out information voluntarily and not wait for shareholders to ask legislative action on this matter.

• • •

John Labatt Ltd. annual report for the year ending Sept. 30, 1947, is attractively illustrated with pictures of its plant and contains an interesting series of pictures and a diagram of "The Brewery at Work." This adds to the report's interest to shareholders.

Dividend Deferred By Orange Crush

Directors of Orange Crush Ltd. deferred dividend action at their meeting this week. President J. William Horsey, who recently assumed this office, presented an accelerated merchandising and advertising program, designed to take full advantage of market possibilities in Canada, United States and foreign countries, it is stated.

Recent personnel changes include the obtaining of outstanding merchandising executives and merchandising counsel, Mr. Horsey reported to the board. It is felt prospective development of the company's business in all fields is bright. In view of anticipated plans requiring cash outlays, it was decided the cash resources should be conserved.

Fleet Reports Operating Loss, Big Bus Orders

The first bus in Fleet Manufacturing & Aircraft Co.'s contract for producing Twin Coach motor buses in Canada will be off the assembly line in February, just two months after the Canadian company began tooling up President George D. Clarke reports to shareholders.

Canadian orders on hand total approximately $3 millions, assuring capacity production for the coming year. Satisfactory arrangements have been made with the Customs Department to ensure a constant flow of all necessary non-Canadian parts, it is stated.

The financial statement covering 1947 operations shows an operating loss of $736,315. Since directors felt that a clean sweep should be made at this time when a new business was being established, losses sustained in liquidating obsolete and surplus inventories and in writing off assets of no tangible value, have been added to operating loss, making the total loss for the year $1,590,584.

"Rapid Recovery" Seen

"This bad news," Mr. Clarke said, "is offset by the company's present position and prospects. Financially and physically the plant has been reorganized on a sound and secure basis. Orders on hand in Fleet's various divisions are sufficient to indicate the company is well on the way to a rapid recovery, which should soon wipe out past obligations."

Arrangements have now been completed for a security underwriting which will be offered publicly with preferential privileges to shareholders. This will provide over $400,000 additional working capital which is felt to be ample for current requirements.

In addition to the Twin Coach division, four other divisions are now operating. Mass production techniques have been adapted to the manufacture of quality juvenile furniture designed and engineered by Fleet. The company, from its present inventories, is continuing to assemble light aircraft. Demand for furniture and aircraft is given impetus by recent import restrictions, Mr. Clarke said.

Reorganization Of Brown Co. Still Deferred

MONTREAL (Staff)—In a letter to preferred and common shareholders of Brown Co., President F. G. Coburn last week indicated that it will be some time yet before capital reorganization takes place.

Although net profit for the year ended Nov. 30, 1947, is estimated at $2.8 millions ($1.5 millions in 1946) all available funds will be required for the company's expansion program, it is stated. This profit for 1947 represents earnings on the preferred stock of approximately $19.38 a share and 91 cents on the common.

It was pointed out, however, that since all earnings of Brown Corp., the Canadian subsidiary, could not be paid under Foreign Exchange Control Board regulations, net earnings available for dividends would total approximately $2 millions.

With reference to reorganization plans, the report acknowledged that work on such a plan had been started early in 1947. Purpose of the plan would be to provide for payment of dividend arrears (now $48 a share) thus clearing the way for regular dividend payments. Some of the difficulties mentioned in the letter as standing in the way of a reorganization plan are:

(a) Plan must be suited to the company's prospective earning power.

(b) Preferred dividends, when started, should be continued regularly.

(c) Provision must be made for expenditures on plant improvements.

(d) Provision must be made for debt reduction.

Too Heavy a Charge

President Coburn stated that in the 1941 reorganization, not enough consideration was given to the company's competitive status, its needs and prospective earnings power. Thus too heavy a contingent charge was put on the company by the preferred stock, and inadequate provision made for future capital requirements.

Directors state that working capital now is just sufficient to finance operations, and all cash received from operations in the next few months will be required for the improvement program. Completion cost of the rehabilitation program is estimated at $2.9 millions for the Berlin, N.H., plant and $1.2 millions for La Tuque. The company has on hand $3.1 millions and will meet the balance of $1 million from earnings or other sources. Since 1941, funds available to the company have totalled $26.5 millions, of which $14.8 millions has been spent on the plant program, $3.8 millions on working capital and the balance for general purposes.

While the letter places the company's position before shareholders, there is still a considerable degree of uncertainty as to the position of preferred shareholders, it is pointed out. Feeling here is that some type of proposal may be made at the same time as the annual report appears, or shortly after. As far as can be learned, there is as yet no move to form a preferred shareholders' committee. The "group of determined shareholders" which sponsored newspaper advertisements in Montreal papers last year, has made no further move, it is believed.

These Equipment Trust Certificates having been sold this advertisement appears as a matter of record only.

New Issue

$20,000,000

Canadian Pacific Railway

Equipment Trust, Series "J" 1948
Non-Callable, 2% Certificates

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Due $2,000,000 each year from January 2nd, 1949 to January 2nd, 1958 inclusive.

Trustee: The Royal Trust Company

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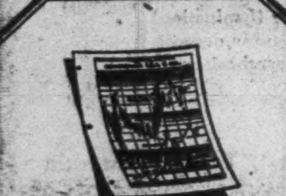

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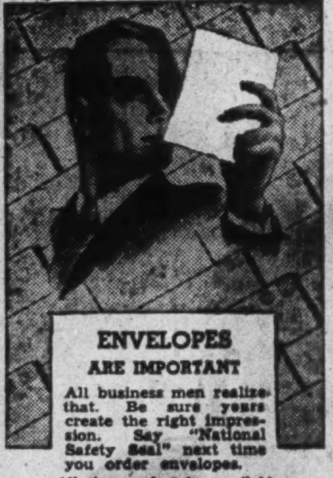

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WHEN to BUY and WHEN to SELL
The bulletin "MARKET ACTION & INVESTMENT OUTLOOK" is issued once a week. It does not give you a lot of "ifs, ands or buts", and reasons why such and such a stock is attractive or otherwise.
It tells you EXACTLY WHAT TO DO.
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WRITING BUSINESS LETTERS
5 Consecutive Wednesdays — Feb. 4, 11, 18, 25 and Mar. 3
This is the famous L. E. "Cy" Frailey Course in Better Business Letter-Writing —invaluable to every Executive who dictates letters, and to every Secretary. The Course was tremendously successful in Toronto last year, and Mr. Frailey is being invited back in response to many requests. He is a humorous, instructive speaker, and the leading authority in his field.
8 P.M.—IN THE AUDITORIUM, ECONOMICS BLDG., 273 BLOOR ST. WEST
FEE: $10.00 FOR THE ENTIRE SERIES
Write or Telephone Club Office — 24 King Street West — AD. 7777 for Folder. All applications filled in order of receipt.

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MR. J. A. LEDDY
HAS BECOME ASSOCIATED WITH US
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The Magic Formula for Growing Dollars

The simple formula $a = (1+i)^n$ expresses the magic way in which money grows when invested at compound interest.

For example, $1,000 invested at 4% per annum, payable twice a year, with the interest reinvested at the same rate as soon as received, would amount to $2,000 in seventeen and a half years. Such is the magic of compound interest.

This is the best reason we know for investors to reinvest promptly the interest and dividends from their securities. It's an equally good reason to reinvest promptly the proceeds from matured or called securities.

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MANAGED INVESTMENT

Strong 1948 Bull Market Unlikely—MacNab's Mgr.

There is little encouragement for a strong bull market in 1948. MacNab's investment manager says; but to sell all common stocks might be unwise. It would seem prudent to set a middle course, with a modest holding of common stocks for income and possible capital gain during the year.

MacNab's Manager Says:

The outlook for the investor in 1948 is obscured by both internal and external economic conditions. It is becoming more difficult to forecast the future trend of the market. Certain industries appear to be in a better situation than others. These are: pulp and paper, base metals, petroleum and heavy industry.

An examination of your account shows that funds are invested by industries as follows:

Heavy Industries — Westinghouse Electric; Steel Co. of Canada.

Public Utilities — B. C. Electric Co.; B. C. Telephone Co.

Pulp and Paper — Abitibi Power & Paper Co.; Int. Paper Co.; Eddy Paper Co.;

Mining — Dome Mines; McIntyre Porcupine; Kerr Addison; Cons. Mining & Smelting; Int. Nickel.

Petroleum — Imperial Oil.

Rubber — Goodyear Tire & Rubber.

Transportation — C.P.R.

Beverages — Hiram Walker.

Of these industries, Gold Mining is the least attractive. I feel, however, that the golds as a group have been subject to such heavy pressure of selling that they will eventually recover. This depends, of course, to a great extent on how far costs are due to rise, plus the eventuality of currency devaluation which is not apparent in the near future.

It should be noted that a most significant event took place early in Jan., 1948. The Bank of Canada discontinued its policy of supporting the government bond market. Long-term government bonds have since declined about 2 to 2½ points. You will note that I have sold all of your long-term bonds at premiums which were obtainable before the decline in price. Your account is invested in $4,000 par value Canada Savings bonds at par on demand, and $2,000 par value B. C. Telephone 4% 15-year notes.

Action of the Bank of Canada in connection with the bond market is in accord with government policy, both in the U. S. and Canada, to withdraw excess currency from circulation and is the end of a cheap money policy, which was one of the causes of the inflationary spiral now evident in the rising cost of commodities and in food prices. Some further action will be taken, no doubt, during the coming year to curb inflation, if this can be done by the Government alone, which I doubt.

During the month ended Jan. 15, 1948, you received $73.25 in dividends. After the usual monthly withdrawal of $25 for living expenses $48.25 remained to add to cash balance, which at Jan. 15, 1948, amounted to $269.52.

The MacNab Account Now Stands

No. of Shares	Security	Cost per sh.	*Market per sh.
	Common Stocks	$	$
10	Can. Westinghouse	55	43
50	Imperial Oil	14	16¼
10	McIntyre	54½	58
15	Inter. Paper	49⅝	56
30	Dome	18¼	20¾
20	Hiram Walker	24⅛	25¾
40	Kerr Addison	16	14⅝
5	Consol. M. & S.	85¼	98⅛
25	C.P.R.	13¾	14½
15	Int. Nickel	33¼	33½
	Preferred Stocks		
30	Abitibi $1.50 pfd.	21⅜	20
10	Steel of Can.	86	78
10	Goodyear Tire, 4%	56¼	51
25	E. B. Eddy, A $1	22	19
10	B. C. Electric	100	97
	Bonds		
2,000	B. C. Tele. 4%/62	100.00	101.00
2,000	Can. Sav. 2¾%/56	100.00	100.00
1,000	Can. Sav. 2¾%/57	100.00	100.00
1,000	Dom. of Can. 2¼%/48	100.00	100.05
Cash			$269.52
Prospective annual income			$648.85
Current market value of fund			$15,357.52
Average yield on original $10,000 is			6.48%

*Valuation at close Jan. 15, 1948.

Dom. Scottish To Drop Plan

Directors of Dominion-Scottish Investments Ltd. have decided not to proceed further with the proposed plan of arrangement in its present form and are considering the possibility of working out some modification of the plan which will be acceptable to the shareholders generally, A. E. Brown, secretary, states.

While the original plan was given approval by a substantial majority at the preference shareholders' meeting on Dec. 19, 1947, a subsequent meeting of common shareholders only agreed to the plan by a very small majority. It would appear doubtful whether the plan would receive the necessary sanction of the court.

The plan provided that each of the holders of the 49,136 existing 5% preference shares, par $50, would receive: (i) one new fully paid cumulative redeemable preferred share of $50 par, carrying a cumulative dividend rate of $2 per annum plus noncumulative dividends totalling 70c per share and thereafter participating rateably with common; (ii) one half a common share; and (iii) $3 in cash payable out of capital profits. Accumulated arrears of $6 per sh. at Dec. 1, 1947, on the 5% preference stock would be cancelled.

BEAULIEU YELLOWKNIFE MINES has received payment for 50,000 shares at 20 cents a share. Issued capital is 4,450,000 shares.

General Merch. Acquires Two Food Concerns

General Merchandise Co., Toronto, has acquired the assets of General Merchandise Ltd., and Maxson Food Systems, Ltd., President Roy Chambers of General Merchandise Co., announces. The newly-formed company will convert the large plant of the former Maxson Food Systems in the Terminal Warehouse, Toronto, into a thoroughly-equipped processing centre for the preparation of the company's frosted foods. These facilities will permit an aggressive program in the general frosted foods field, Mr. Chambers said.

Through its acquisition of General Merchandise Ltd., assets, the new company already possesses and operates extensive modern merchandising facilities in its frosted foods retail outlets. The new company, with substantial liquid resources, continues under the management and control of the Messrs. Roy and Howard Chambers, founders of the former General Merchandise Ltd. A substantial stock interest is also held by Mindus Corp.

The audited balance sheet of the new General Merchandise Co. dated Dec. 1, 1947, discloses that the company has net current assets of $73,545 and net fixed assets carried at cost of $352,831.

Shareholders of General Merchandise Ltd. will receive one of the new company class A shares for one General Merchandise Ltd. common share. Holders of debentures of General Merchandise Ltd. may exchange them for debentures of the new company, par for par, and bearing same interest rate.

Shares of Maxson Food Systems may be exchanged for shares in the new company on the basis of five shares of General Merchandise Co. class B shares and one General Merchandise class A shares for each five shares of Maxson Food Systems held.

Distribution of shares is being handled by Premier Trust Co., Toronto.

General Merchandise Ltd. was the first company in Canada to bring frosted foods to urban centres via locker plants. Maxson Food Systems was the first Canadian company formed to process precooked frosted meals.

DIVERSIFIED MINING INTERESTS (CANADA) balance of option outstanding to Atlas Finance Co. on 449,995 shares at 75 cents to $1, has been cancelled by mutual consent. By Jan. 7 agreement, with same company, 50,000 shares have been underwritten a. 50 cents a share, payable by Feb. 15 and an option granted as follows: 199,995 shares at 50 cents and 200,000 shares at 60 cents, exercisable to extent of at least $25,000 by Mar. 15, together with similar amount by 15th of each month thereafter.

CANADA NORTHERN POWER CORP. gross earnings for year ended Nov. 30, 1947, totalled $2,096,782. Purchased power, operating and maintenance, and taxes totalled $829,465 leaving net earnings of $1,267,317. The company is constructing 15 miles of 110,000-volt transmission line and installing a substation with a capacity of 3,000 kva.

M & O Paper Co. 1947 Sales Up

Net 1947 sales of Minnesota & Ontario Paper Co. jumped $19,534,016 to $48,998,126, President Donald D. Davis announces. Preliminary figures indicate net profits for the last quarter (ended Dec. 31), compared favorably with those of preceding quarters of the year.

Consolidated net income for the first nine months of the year was $4,117,778, and represented $35,916,919 net sales ($1,125,490 and $19,060,859 respectively in the 1946 period). Earnings per share for the nine months were $3.19 ($1.69).

Mount Royal Dairies Sells Serial Bonds

MONTREAL (Staff) — Mount Royal Dairies & Co. has sold $1,250,000 1st mortgage serial bonds, to provide funds used in the acquisition of Mount Royal Dairy Inc. Bonds are in three series: $500,000 at 3½% maturing 1948 to 1957; $225,000 at 4% to mature 1958-66; and $525,000 at 4¼% maturing Nov. 1, 1967. The issue is being offered publicly by Savard, Hodgson & Co. at $100.

Mount Royal Dairies is engaged in wholesale and retail distribution of milk, cream, butter and eggs on Montreal Island. It also operates distribution centres in Ste. Agathe and St. Jerome, and owns a butter factory at St. Antoine Abbe.

Under terms of the trust deed, no senior securities may be issued as long as any bonds of this issue remain outstanding. Also, no dividend on the capital stock may be declared if this reduces working capital to less than $300,000.

According to the offering prospectus, earnings of the company before taxes for the years ending March 31, 1943-47 were: 1943, $65,163; 1944, $178,501; 1945, $162,523; 1946, $196,298; 1947, $157,809. It is indicated that initial requirements for bond interest payments will be $48,313. Current assets as at April 1, 1947, totalled $728,005 and current liabilities $380,367. Capitalization, after the bond issue, will consist of $1,250,000 authorized and issued first mortgage bonds; 20,000 shares of 5% cumulative preferred shares, par $25, of which 12,000 shares are issued; and 20 shares of common stock n.p.v., all outstanding.

PEN-REY GOLD MINES has started drilling its Rouyn property designed to cut north flank of an anti-clinal fold and a strong shear zone in central part of property. Work calls for a minimum of 10,000 ft. of drilling.

Hiram Walker Earns $3.39 In 3 Months

Share earnings of Hiram Walker-Gooderham & Worts for the three-month period ended Nov. 30, 1947, amounted to $3.39—up from $1.58 for same period of previous year. Operating profit was $18,042,103 compared to $9,605,251 for the same period of 1946. Provision for taxes at $7,840,608 was up $3,320,281. Total net profit for period was $9,793,245 as compared with $4,551,958.

	3 mos. ended Nov. 30, 1947	3 mos. ended Nov. 30, 1946
Oper. profit	$18,042,103	$9,605,251
Other inc.	260,022	122,153
Total inc.	18,302,125	9,727,404
Less: Deprec.	429,999	380,701
Int. Disc. & expense.	215,199	78,295
Bank int.	23,074	25,830
Expens. on debent. red.	......	170,293
Prov. for inc. tax	7,840,608	4,520,327
	$9,793,245	$4,551,958
Earns. per com. sh.	$3.39	$1.58

SOUTHERN CANADA POWER CO. gross earnings for the first three months of the year ending Sept. 30, 1948, totalled $1,132,815 ($1,053,362 in 1946). Operating and maintenance expenses were up at $530,465 ($497,461) and taxes lower at $199,706 ($230,405). Interest, depreciation and dividends totalled $408,674 resulting in a deficit of $6,030 for the three-month period. Increase in operating expense is due to purchased power necessitated by the drought.

WANTED

Security Salesman to sell industrial common and preferred issue. Must have ability, good connections. Only those that can obtain a licence need apply to

BOX 160, SCHUMACHER, ONTARIO

AGENTS WANTED

British manufacturers of well-known Laundry Presses of unique design and established reputation in many parts of the world seek live, active distributors for Canada. Exclusive agencies available to recognized Laundry Engineers.

APPLY
BROWN & GREEN, LTD.
Luton, Bedfordshire, England

CHARTERED ACCOUNTANT AVAILABLE

Young chartered accountant having seven years auditing experience with large firm desires industrial or commercial position where ability and work will lead to a good future.

BOX 99, THE FINANCIAL POST, TORONTO

FINANCIAL EXECUTIVE AVAILABLE

Chartered Accountant with twelve years auditing experience, and six years in charge of finances, costs and accounting as Secretary-Treasurer of $2 manufacturing concern. Authoritative knowledge of corporation taxes, costs and systems.

Age 36. Married. Interested in a position where ability will be recognized.

BOX 101, THE FINANCIAL POST, TORONTO

SECRETARY-MANAGER

Applicants are invited for the position of Secretary-Manager of a national association in the Canadian Food Industry. Applicants should have some knowledge of government methods. Must be able to prepare representations and to interpret government legislation and regulations. Knowledge of the food industry is desirable but not essential.

Applicants should give information regarding age, education, experience, present position, salary and references, in a letter addressed to

BOX 98, THE FINANCIAL POST, TORONTO

SPLENDID SALES OPPORTUNITY

For man of character, intelligence and initiative, preferably not over 40, with knowledge of the steel business to occupy important sales position with large industrial organization.

Apply stating age, education, experience, and other qualifications. Replies held in strict confidence.

BOX 87, THE FINANCIAL POST, TORONTO

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The periodical valuation and analysis of your holdings enables you to determine accurately your current investment position, and in some cases to make certain changes which will strengthen your position.

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Feuding and Fighting

To outsiders he appears to be an unbiased executor. But not to the members of the family!

One group thinks he favours daughter Jane, brother Fred and cousin Emma. Jane, Fred and Emma and their adherents believe he favours the others. Thus, family happiness has given way to family feuds.

Similar situations develop all too frequently. So when making your Will choose an Executor that has no family ties and is not personally biased.

Write for free booklet *"Security for Your Family"*

NATIONAL TRUST
COMPANY, LIMITED
TORONTO, MONTREAL, HAMILTON, WINNIPEG, EDMONTON, VANCOUVER.

We Need More Markets

We will be living in a fool's paradise if we think that the renewal of the food contracts with Great Britain has solved our farm marketing problems. And yet, so far, Ottawa has left farmers and others in the dark about any other developments.

The plain truth is that in the renewal of the contracts, aside from wheat, we have little guarantee that Britain will continue to take all our surplus farm production after next spring. It was only with considerable persuasion, compromising, face saving and scaling down that the present temporary three-month's renewal was negotiated. And even on the present basis the deal is substantially on credit, with the U. K. using funds borrowed from Canada and the U. S. to purchase this food. Ironically the new and higher prices Britain is to pay for bacon, beef, cheese, etc., come mainly out of the pockets of Canadian taxpayers, who as consumers also foot the bill for the higher domestic food prices which automatically followed the increase in quotations to Britain.

If these sacrifices on the part of Canadian taxpayers and consumers guaranteed a big and profitable export outlet for our major agricultural industry, the ends might have justified the means. But there is no such guarantee. At the end of the three months renewal period, we may be right back where we started.

There is more than a suspicion that Agriculture Minister Gardiner has been counting heavily on the Marshall Plan to come to his aid, that he has been hoping that the United States would underwrite the British food contracts by purchasing, for American dollars, the food we would continue to send to the United Kingdom. Even if the Marshall Plan works in this agreeable pattern, there are grave doubts whether it, or enough of it, will be approved by the U. S. Congress in time to save the current contracts.

In any case we would be extremely foolish to build all our hopes on something which is so far beyond our own control. Eventually, if the world is ever to get on its feet then this bulk trading between nations has got to come to an end. The precarious position we find ourselves in today is proof of its weakness.

We cannot afford to put so many of our export eggs in one basket. Instead of trying to patch up and continue a system that we adopted only as a wartime expedient we should be out searching for new business, for new outlets for our farm and other surpluses. And in that search we would be well advised to let private initiative take the lead. It was private individual exporters who found and opened our new markets prior to the war. It is on them and not government bulk deals, that we must depend for permanent new outlets in the days ahead.

Tell Them the Facts

Now is the time when most company executives are preparing their annual reports to stockholders. With rising living costs making new demands for wage increases likely, executives should pay particular attention to modernizing and simplifying their annual reports so that they will be clearly intelligible to employee, customers and the general public. A well-planned annual report, which is not open to misinterpretation and which gives all the facts available, places a company in the soundest position to answer any charges, genuine or otherwise.

In suggesting the humanizing of financial reports, "Industry," the new monthly publication of the Canadian Manufacturers' Association, suggests the following:

"Explain the simple words 'profits,' and 'surplus' in even simpler language . . . that while the enormous increase in earnings might indicate 'excessive' profits for many organizations, it must be understood that more than one-third of the reported profits are not real earnings but book profits. Such profits are the result of inadequate depreciation charges and inventory revaluation.

"Inventory profit appears on the books as a result of the higher value per unit placed on goods in the warehouse or in process of production.

"Show how the remaining profits, after the small percentage for dividends has been disbursed, are devoted to the improvement and expansion of the plant so that production can be increased and more jobs made available.

"Prove that the creation of wages is the predominant factor in our system of free enterprise. Give the lie in public school language to the ranting campaign against shareholders and business. Help explode the myth of huge profits right in your annual statement.

"Finally, make your reports forceful and accurate, but keep the terms so simple that even the most rabid propagandist, with malice aforethought, cannot distort the message to his own ends."

As a further suggestion management might also give data on wages, employment and on the breakdown of the sales dollar, as this may be the most effective way of countering irresponsible claims about a corporation's ability to raise wages without advancing prices.

Management should realize the importance of annual reports in telling the story of its business to a wider audience than ever before and spend adequate time deciding how to improve, modernize and simplify its presentation.

Time to Consider

We can't go on loading services on the Government that we should be looking after as private citizens, stated Hon. Es. L. Patenaude, president of the Provincial Bank in his annual address to shareholders. That is certainly true and as Mr. Patenaude adds, those who want to see our economic system survive should get up and point out the danger. He warned:

"We are still burdening our governments with various obligations which will substantially and permanently encumber public budgets. The tendency to saddle the state with matters which have always been considered the individual and personal responsibility of the taxpayer is becoming more obvious.

"Should we not inquire whether this general tendency is exposing us to extremely grave dangers for the future, when world equilibrium shall have been restored and our war and postwar prosperity shall have begun to diminish? We shall then have mortgaged the future in the belief that present prosperity is permanent. Our people must return to their sane custom of former days of practicing economy and thus ensuring conservation of our resources and protection of the family. For some years past, what we have lacked above all is not gain, but thrift, and the conservation of gain."

Got to Work Together

A vigorous and united effort by all citizens is essential if we are to check inflation, F. H. Marsh, new chairman of the Bank of Toronto stated at the annual meeting this week. There must be moderation in buying, in expansion and in wage demands, argued Mr. Marsh, and there must be more production of real goods. He stated:

"Our chief current danger is that of being swept along with the present inflationary trend. As bankers we must discourage unwise expansion. Business must realistically appraise its own position and in selling to consumers resist the temptation to take undue advantage of the ready money which momentarily is in hand. Citizens of all ranks should confine their buying to essential purchases and wherever possible resist prices which outrage both pocket and mind. Labor, like management and capital, must see that inflation is everybody's business and that it cannot be corrected by exorbitant profits or continuous increases in wages which simply add fuel to the fire.

"One of the most effective remedies is to increase production without adding to costs. Labor must give full value and all other factors in production including the mechanical improvements of the war period be developed to utmost efficiency.

"Taxes now serve as a brake on inflation but can be justified if used to pay off the debt incurred by war. Once inflation is conquered, taxes should be substantially lowered as an incentive to business progress."

That's the remedy for our present ills. If started at once it is not going to be very painful and it won't take very long. But the more we postpone it the more it is going to hurt.

The truth is that we have been living beyond our income of real production. We have been more interested in buying goods than in making them, more interested in higher prices or higher wages than what was offered for those higher prices or higher wages. We can't get very far that way before running into serious trouble.

Useful Service

A most useful service to householders and potential householders has been arranged by the Canadian Conference of Newspaper Editors, in the current series of broadcasts entitled "It's Your Business." Each week a group of specially qualified business newspaper editors present the latest information and developments in their particular fields.

The first broadcast dealt with household appliances, and cleared up many misconceptions which followed the new restrictions program. The second dealt with housing and particularly the prospects for cheaper housing. These broadcasts come over CBC's Toronto station CJBC on Tuesday evening. Crisp and pointed, they have attracted and deserved substantial attention.

Selling Job to Be Done

There is an immediate selling job to be done in the United States if our tourist trade this year is to come up to our hopes and vital needs. The wide publicity given to "austerity program" has decided many Americans against coming to this country for their holidays.

These people seem to think that we are reduced to pretty grim living in Canada, that it might be difficult for them to get the things that make holiday travel worthwhile.

If that sort of belief gains headway then we can say good bye to a great many millions of American dollars that we need so urgently. Through every means possible government and private agencies must let Americans know that they will be welcome visitors to our country this year and every year. After all we have plenty of food, accommodations and other means of making these guests comfortable. Even if we have to revise some of the present restrictions, even if we have to let in a few more American luxuries, the dollars that would cost would repay as manyfold.

These tourist dollars that Americans bring into Canada are among the most profitable that we can possibly handle. The great bulk of them are exchanged for having a look at our scenery, and scenery is not something that is wrapped up and taken away.

It's Goods That Count

"Before the war if we did $800,000 worth of business we had had a busy and profitable year. That volume will not keep us out of the 'red' today."

That statement comes from an executive who is not fooled by dollar volume in these days of inflated prices and costs. As pointed out in so many of the bank presidents' statements this season and again emphasized in the interviews with business leaders in The Post recently the dollar yardstick is not sufficient to measure results today. A firm may show a dollar sale 10% higher than a year ago and yet have actually sold or produced less goods. It is the consumption or production of real goods that is the true barometer, not the dollars received in sales, receipts or in wages. And that is something we might all heed with profit, whether we speak for labor, management or the investor.

Fortune, Please Note

Research by the CPR's "Agricultural and Industrial Progress in Canada" reveals these facts:

That at the 33 International Grain Shows held in Chicago since 1911, the world's wheat championship has been won by Canadians 29 times.

That with one exception since 1929, the winning variety has been Reward which was originated by the Dominion Experimental Farms.

That all of the four non-Canadian wins in the history of the contest were on wheat from Montana, which lies along the Canadian border, and either with varieties that originated in Canada or from a descendant of a Canadian variety.

It's too bad the American magazine Fortune did not have these facts, before it came to its amazing conclusion that "in an even race Kansas wheat growers might put Canadian growers out of business," and largely because our research was so far behind.

Napier Moore's Scratch Pad

A DEPLORABLE WEAKNESS of ours is that of momentarily forgetting the names of people we know reasonably well. This happens just as we are about to introduce them to someone else. We start off with a blithe "Of course you know . . ." and slither off into a mumble-mumble.

Strube, the cartoonist, who suffered from the same disability, got round it by calling every male he met "George." We just suffer agonies while mentally tearing through an imaginary phone directory in search of a clue.

So it is that we stand in awe of Pearson Kennedy. Kennedy is night porter at the National Club in Toronto. For many years he was day porter. The National Club has a huge membership, but he never muffs a name. We have seen him, at receptions for distinguished visitors, announce two or three hundred members without once asking a man's identity, and without a second's hesitation. The Governor-General, who is pretty good himself, was immensely impressed with Kennedy's performance at the club's reception to His Ex. and personally congratulated him.

The other evening, after disgracing ourself with a name-fumble, we dropped in to see Kennedy and beseeched him to share his secret; explain his system. Said he, "I have no system. I just have a good memory."

• • •

NOMINATED FOR BOILING OIL: Men who crowd into bedrooms on the night trains from Montreal or Ottawa for a stirrup-cup and with loud talk and idiot laughter rob adjoining passengers of rest.

• • •

WE READ that Charles Epps, the English butler who ran Viscount Bennett's Surrey home (he served Prime Minister Asquith at 10 Downing Street) is now with the U. S. Ambassador in London.

It is not impossible that this will have a profound effect on U.K.-U.S. relations. Servitors who are themselves diplomats sometimes wield great influence. E. G. Grace, chairman of Bethlehem Steel Corporation, speaking of predecessor Chas. M. Schwab, gave this instance. When Admiral Jellicoe, hero of the Battle of Jutland, visited this side in 1931, he was invited to use Schwab's private railway car. Schwab sent it up to Canada for him, and met it on arrival in New York. When he went on board to greet the honored guest, he found Jellicoe and Joe Ray, the Nego steward, sitting at the dining table with breakfast dishes pushed aside—shooting crap.

• • •

—AND WE QUOTE: "Men ask for security from life and there is no security. Men ask for ease and life pardons their foolishness by compelling them to work."

• • •

WE WERE CHATTING with a judge the other day. He had had to give a decision in which the size of a doctor's fees was involved. We asked him what the basis of fee appraisal was. "It's pretty well laid down," he said. "A doctor's fees in law are regulated by (a) his standing in the profession; (b) the length of time he has practised; (c) the difficulties he has had to face (in the illness, not in life); (d) the time occupied; (e) the gravity of the illness; (f) the result obtained; (g) the importance of the services rendered, and (h) the usual fees charged in the vicinity."

We asked if the wealth of the patient entered into it. He said, "There is no reference to that."

• • •

TWO OR THREE MONTHS have passed since Hon. Dana Porter, Ontario's Minister of Planning and Development, addressed a meeting of the Junior Chamber of Commerce of Quebec District, but his speech is still being talked about. We heard a couple of Quebec businessmen refer to it this week. It wasn't so much what Mr. Porter said that electrified his audience. It was the way he said it. For 25 minutes he spoke in French.

"He sure surprised us," said Chairman Armand Viau, who had introduced him in English. Mr. Porter surprised himself. He hadn't spoken much French since he learned the language in Ontario schools 25 years ago. He wrote the speech in English, had it translated; had a college professor listen while he read it and do a spot of coaching. On the night of the meeting, up to five minutes before he was called on he wondered if he had nerve enough to go through with it. But he did, and brought the house down. Modestly, the Minister says he's afraid it was rather broken French. That wouldn't bother a Quebec audience one bit. What counts is the graciousness of the intent.

• • •

SPEAKING OF INFLATION, we have just had a visit from an Australian who, until recently, was managing a printing plant in Shanghai, China. Hearing him tell of really fantastic living costs, we jokingly said that we supposed he was paid about $7 billions a month. "Oh, no," said he. "Nothing like that. Actually, at the time I left, I was getting $6 million a week. Chinese dollars, of course!"

Stop Me If—

The partners called McIntosh, the manager, into their office.

"Listen, McIntosh," said the first partner. "We find that last year's business was the best since we opened the place. We know how hard you must have worked, and as a special mark of our appreciation we are making out a cheque for $2,000 for you."

The manager stammered his thanks.

"Yes," went on the other partner, "and if next year's business is as good, we'll sign it."

—Cartoon by Grassick.

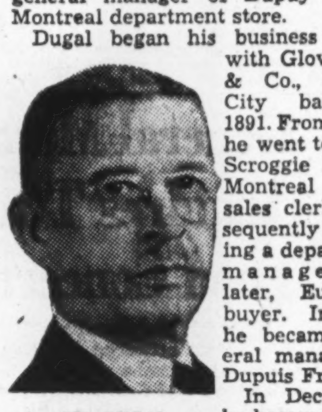
USE YOUR GUN

Post Scripts

Retail Federation Head

New head of the Canadian Retail Federation is Armand Joseph Dugal, C.B.E., who is vice-president and general manager of Dupuy Freres, Montreal department store.

Dugal began his business career with Glover Gry & Co., Quebec City back in 1891. From there he went to W. H. Scroggie Ltd. of Montreal as a sales clerk, subsequently becoming a department manager and, later, European buyer. In 1911, he became general manager of Dupuis Frères.



MR. DUGAL

In Dec. 1941, he became Director of Retail Trade, Wartime Prices and Trade Board; and from August, 1943, to Dec. 1945, served as Deputy Administrator. During this time, he appeared on numerous occasions before chambers of commerce, advertising clubs, merchants' associations, and numerous groups of business men.

Dugal is described as having three major interests; his family, his race, and Dupuis Frères, but he is a man of varied interests. For example, he is a member of Les Artisans Canadiens-Francais, the Catholic Foresters, the Knights of Columbus, and of the alumni associations of St. Jean Baptiste School and Lasalle Association (Commercial Academy). During 1937 he was president of the Duvernay Section of the St. Jean Baptiste Society. He is now a governor of the Sainte-Justine and the Notre-Dame hospitals. He has served as a counsellor of La Chambre de Commerce for several years, as a director of L'Est Central Commerciale, Inc., since its foundation, and as a director of the Better Business Bureau.

Armand Dugal was born in Quebec City, in 1876, son of Alfred and Alphonsine (Lemieux) Dugal, and educated in the St. Jean Baptiste School and the Commercial Academy of that city. He married Diana Lecours in 1902 and they have five children. A member and past president of the Club Chapleau, Mr. Dugal's hobbies are hunting, fishing and billiards.

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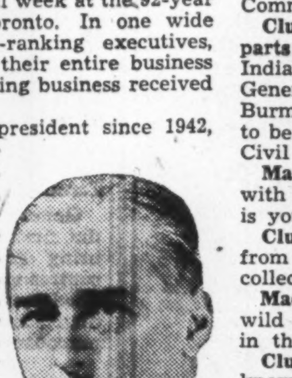
New General Manager

This is fan mail week at the 92-year old Bank of Toronto. In one wide sweep four top-ranking executives, who have spent their entire business lives in the banking business received promotions.

F. H. Marsh, president since 1942, becomes chairman of the board. J. L. Carson, former vice-president becomes president. B. S. Vanstone, general manager, becomes vice-president and L. G. Gillett assistant general manager, becomes general manager.



MR. GILLETT

Leonard Gillett, the newest arrival in the top management group has been with the Bank of Toronto about 38 years.

He was born in Gananoque, Ontario, almost 55 years ago, but when six years old he moved with his family to Montreal.

His father had intended young Leonard to enter McGill University. But when he passed the McGill entrance examinations, he was barely 15, and as the minimum age for entrance to McGill was 16, the University would not admit him.

He took a year's business college course to fill in the time, but at the end of that period decided he was tired of schooling and decided to earn some money. So he applied for a position with the Bank of Toronto, as that was the first job that occurred to him. He was posted to Montreal.

When 19, the future general manager wanted to see the country and on his own request was moved west where he spent the next 14 years.

In the office of the western superintendent at Winnipeg he met Joan Wallace Miller on the staff there, and when he was only 20 they were married. By all the regulations of the bank he should have been fired but the late John R. Lamb, later president of the bank, was western superintendent, and Gillett thinks Mr. Lamb must have felt sorry for him or the little Scots girl he had married, and interceded with head office. In any case, the bank agreed to let him stay on to see if he and his wife could live on his salary.

General Manager Gillett says he thinks this early marriage was the best thing that ever happened to him. Having no money to do anything else, he knuckled down, worked hard and studied. Progress was not spectacular but steady.

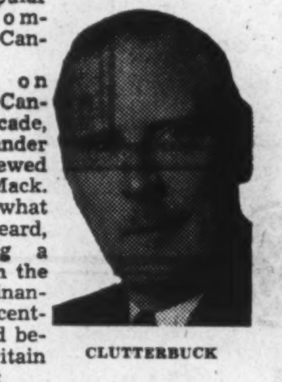
He has played golf for 39 years—with very indifferent success he claims—his friends say his score is occasionally in the middle 80's. He used to curl but gave it up as it took too much time. About six years ago he thought figure skating would be a nice pastime, but after trying hard, has come to the conclusion that he had started 30 years too late.

He has one son and three daughters.

• • •

Animal Lover

It took the Borden Company to ferret out a lot of unknown information about Sir Alexander Clutterbuck, K.C.M.G., M.C., Britain's hardworking and popular High Commissioner in Canada.



CLUTTERBUCK

Recently on Borden's Canadian Cavalcade, Sir Alexander was interviewed by Cy Mack. Here is what listeners heard, following a "buildup" on the food and financial pacts recently negotiated between Britain and Canada:

Mack: Sir Alexander, you've been a career diplomat in the service of the Commonwealth for many years?

Clutterbuck: Yes, and in many parts of the world. I was born in India, where my father was Inspector-General of forests for India and Burma, but I went home to England to be educated, and joined the British Civil Service after the first Great War.

Mack: And you've been working with the Dominions ever since. What is your favorite hobby?

Clutterbuck: The study of wild life from caterpillar to big game. I've collected hundreds of photographs.

Mack: I suppose your interest in wild game stems from your boyhood in the jungles of India.

Clutterbuck: Yes, I learned to know animals at an early age. I was only three when I encountered my first leopard, for instance. It crept into my tent one night when I was out camping with my father, and killed my pet dog as he lay under my cot. And I remember well when I encountered my first tiger. My brother and I and our orderly were going along a jungle road one day, when all of a sudden a big tiger came out of the underbrush.

Mack: What did you do?

Clutterbuck: I was too terrified to do anything. But my brother, who was not quite four, and too young to know better, put a toy horn in his mouth, and gave a loud blast!

Mack: Now, what does a tiger do when you blow a horn at him?

Clutterbuck: I don't know what the general rule is, but that particular tiger turned tail and dashed off into the jungle.

What Others Are Saying

Editorial of the Week

Eat Beans and Get to Work

Calgary Herald

It appears from the papers, particularly from the papers published in the industrial cities of Canada, that life in our Dominion is more gloomy than a soap opera written by a Russian novelist with a hangover on a wet Monday morning. Woe, woe, and woe upon woe!

The Toronto Star sent reporters around to ask about food prices. George Stanky, who runs a combination meat and grocery store in downtown Toronto, told them: "People can't live when a pound of butter and a quart of milk cost a dollar."

If people can't live, they die. However, careful inquiries reveal no instances of death from hunger in Toronto—or anywhere else. We deduce from this (and from our own observation) that Mr. Stanky is wrong. People can, indeed, keep on living when a pound of butter and a quart of milk cost a dollar; there are 13 million of them doing it in Canada right now.

They are doing it not by eating less food, but by eating cheaper kinds of food—which may be just as good for them, and often better, in the long run. We learn, for example, that Canadians are consuming more beans than ever before. This will do them no harm.

The Canadian people are eating as well as anybody else in this sorry world, and a whole lot better than most. They may have to cut down on the luxuries that tickle the palate, but they don't have to cut down on the necessities that sustain life. Talk of "hunger" and "starvation" in Canada is just poppycock—and snivelling poppycock, at that. Our advice to the nation is to quit wailing, eat a bellyful of beans, and get to work.

Other People's Views

MR. COLDWELL REFUSES TO FACE the obvious mathematical fact that there will be no end of inflation until production equals demand, states the **Winnipeg Free Press.** "The people of Canada will never have more goods for themselves, regardless of wages or prices, until they produce these goods themselves directly or through foreign trade."

OUR AUSTERITY PROGRAM may scare away American tourists, fears the **Swift Current Sun.** "Things are not much different in Canada today than they were two months ago, and any American wishing to visit here can do so with the same freedom of action and lack of restrictions. That can be made clear to them and should be at every opportunity. Tourists coming here are as welcome as ever and they will find Canadians just as glad to receive them as they have ever been."

FREIGHT RATE STRUCTURE is far too complicated, argues the **Farm and Ranch Review** (Calgary). "The whole Canadian railway freight rate structure is an unholy shambles that defies definition. So complex has it become that all large users must maintain special transportation departments to safeguard their interests. If this system can be reformed in our lifetime it will be a welcome surprise."

THE NEW FOOD CONTRACTS with Great Britain give only an illusion of stability, declares the **Family Herald and Weekly Star (Montreal),** because there is no guarantee of continued buying once British credit is exhausted. This leading farm paper concludes: "Where the Government's action deserves criticism is not in the agreement it has just made, but in its failure to show Canadian farmers the whole picture, to tell them how precarious and temporary our present marketing policy is and to explore possibilities of a radical change of policy."

MORE WORK AND LESS TALK is what the people want of their members of Parliament and provincial legislatures, says the **Vancouver Province.** "The times are far too critical to tolerate endless speeches and delaying tactics solely to gain political advantage. If an opposition member lambastes the government's policy we Canadians will expect him to have a good alternative to that policy. Mere political stone-throwing is not going to win many cheers these grim days."

The Financial Post

Member Audit Bureau of Circulations
Member Business Newspapers Association of Canada

A weekly newspaper presenting in a popular manner reliable information respecting investments, business and national affairs in Canada.

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Jan. 24, 1948

Age Limit on Senators?

The Question: Senator A. K. Hugessen suggests compulsory retirement of Senators at 75, and that half Senate be appointed by provincial governments. What is your opinion?

A majority of Canadians answering a Financial Post questionnaire, favored a compulsory retiring age for Senators, as proposed by Senator A. K. Hugessen of Montreal. The latter had suggested that the age limit should be not lower than 75, and possibly 80. There was greater division of opinion on a proposal that half the Senate be appointed by the provinces; some saw confusion from such a plan. Some favored an elective Senate, whose members might serve an eight or 10-year term. Others upheld the present system, contending that the Senate as at present constituted, serves as a protection to minorities against hasty legislation enacted by the House of Commons; and that many Senators were still active physically, and alert mentally, at ages of 80 or over.

T. F. AHEARN, President, Ottawa Electric Co., Ottawa.

I don't think that there is much wrong with the Senate as at present constituted. It contains many men of great ability and wide political experience. I do not think the Senate is playing its part in the parliamentary scheme of things that was originally intended for it. In my opinion, the present Prime Minister has at times seemed to treat the Senate with studied neglect and almost contempt. I think that is what is ailing the Senate today. There is little use changing the method of appointment if the government continues to make little use of the Upper Chamber.

• • •

PROF. H. F. ANGUS, University of British Columbia, Vancouver, B. C.

Senator Hugessen's proposal for a retirement age for senators is sensible and businesslike. His suggestion that half the senators should be appointed by provincial governments is more controversial, unless senators are to be spokesmen for the provincial government, and perhaps even to vote on instructions. The change is not likely to be significant, except when the party in power in Ottawa is not in power in the province concerned. Ambassadorial senators would be a great constitutional innovation for which there has been no pressing demand by the provinces. Their term of office would have to depend on the life of the government appointing them.

• • •

A. G. O. BAHR, Honorary treasurer, Vancouver Branch, Canadian Institute of International Affairs.

Age often has little to do with capacity, but I think that it would make for a more active and competent Senate if its members were compulsorily retired at a certain age. I can see no object in changing the present method of apoointment.

• • •

G. R. BICKERTON, Research Director, United Farmers of Canada, Saskatoon, Sask.

The matter of maintaining a Senate at all is debatable, but I believe that as the Senate is empowered to question or veto decisions made by democratically elected members of parliament, Canadian citizens should also elect Senate members, otherwise the voice of democracy can be frustrated. Present practice of appointments leads the public to consider the Senate as a place for parliamentarians' and party stalwarts' retirement. If 50% of such Senate appointments were made by the provincial governments, it would constitute no change in principle. The question of retirement age is only important if the vacancy can be filled by a younger person with higher intelligence and mental alertness.

• • •

HON. W. A. BUCHANAN, Member of Canadian Senate, Lethbridge, Alta.

Some senators over 75 are still active mentally and physically, and still capable of rendering good service. Often their long experience in public affairs enables them to make a valuable contribution. On the other hand, justices of the Supreme Court of Canada and district court judges are required to retire at 75. This situation provides the argument that there should be no exception for the Senate. As to method of appointment, I strongly believe consideration should be given to suggestions frequently made that the proportion of senators be named by provincial governments or by giving representation directly to universities, labor, industrial, scientific and farmers' organizations. Unquestionably, under existing practice, it is possible for membership to become wholly of one party, which is not desirable for either the senate or the country. It is important that all principal political groups should be represented in the second Chamber.

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BLAIR FRASER, Ottawa Editor, Maclean's Magazine.

I think Senator Hugessen is right about retirement at 75; many members of the present Senate are hopelessly sunk in dotage. But surely the method of appointment is less important than the selection of the right men to appoint, and the allotment of some fruitful employment to them, once they're appointed. The Senate's 90-odd members now include a dozen or even a score of able men and women, all frustrated by lack of anything constructive to do. If the Government would regard the Senate as a functioning branch of Parliament, and not as a green pasture for decayed political wheelhorses, Senate reform would be largely automatic.

• • •

SANDHAM GRAVES, Editor, The Colonist, Victoria, B.C.

To remove either the lifetime provision or the exclusively national appointment would be to change basic elements in the case: that these men may be above sectionalism and beyond influence by the nature and terms of their office. Not many men live to be 75 in any event. Would Canada retire a Churchill then, if it could find one? A Macdonald? A Laurier? A better test of capacity would be attendance at Senate sittings, say 66% of the time. Provincial nomination might be a doubtful gain, if it resulted in nine varieties of senators, and none of them able to see Canada as a whole.

• • •

HON. JOHN T. HAIG, K.C., Member of the Canadian Senate since 1935, and senior partner, Haig & Haig, Winnipeg.

The Fathers of Confederation created the senate for certain purposes: 1. To represent minorities. 2. To represent districts, not provinces; namely, 24 for the Maritime Provinces, 24 for Quebec, 24 for Ontario, and subsequently, 24 for Western Canada. The Maritime Provinces and Quebec insisted on this division for their protection against a House of Commons which might be controlled from the other provinces. Hugessen's suggestion would mix dominion and provincial politics and make the Senate a purely political forum. Personally, when I entered the Senate, the majority were Progressive Conservatives. It is now strongly Liberal, and I do not see any difference in their action on legislation. I can imagine a political question arising which could divide the Senate politically but that seldom if ever happens — certainly not in the last 13 years. Minorities absolutely depend on the senate for protection against hostile action by majorities which might control the House of Commons. As to the question of age, in the recent railway freight rates investigation the chief counsel of the railways of Canada was a distinguished lawyer who had passed his 80th birthday and, now that the investigation is over, it is clear that his eye was not dimmed nor his mind decayed. The Senate has absolutely justified its existence by its action through the past 80 years for the purposes for which it was created, namely a balance-wheel against hasty or ill-considered legislation, and for protection of minorities. The proposed change would destroy the purposes for which the Senate was created; it would create a second political chamber and destroy its usefulness as a steadying and sobering influence on hasty legislation, and for protection of minorities.

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JEAN CHARLES HARVEY, Journalist, Montreal.

In my opinion senators should retire at the age of 70. No provincial government should have anything to do with their nomination. The choice of the members of the Upper House should not be founded on party affiliation, as it is now. I think that a committee of independent men chosen among the outstanding citizens of this country would make a better choice. They could appoint to that body the most representative men in all kinds of trades and activities. If the Senate were formed that way, it would keep the respect and consideration of the whole population.

• • •

H. H. HATFIELD, M.P. for Victoria-Carleton, Hartland, N.B.

It has long been my opinion that retirement from the Senate should be compulsory at 75. I do not feel, however, that appointment to the Senate should be in the hands of provincial governments. Too often we have seen appointments by provincial governments tinged with favoritism to ardent party supporters, without too much regard to qualifications. I feel the ideal would be reached if our constitution were amended to allow election of senators, perhaps for a term of 10 years. The Senate of Canada can perform a useful function, but, as at present constituted is not filling the purpose aimed at by the Fathers of Confederation.

• • •

KARL HOMUTH, M.P. & Manufacturer, Preston, Ont.

I believe that the Senate should be an elected body, subject to appeal to the electors every 10 years. The election should be so arranged that in the first election, 50% would serve for five years only, so as always to have a continuity of experienced men in the Upper Chamber. This then would remove all questions of age limit. I have seen many able administrators who were 75 years of age or more. I have also seen many half that age making a sorry mess of responsibility. An elected Senate would be truly representative.

• • •

R. E. K. ROURKE, Headmaster, Pickering College, Newmarket, Ont.

In view of the fact that the Bible suggests more or less permanent retirement after three score and 10 years, I feel that a limit of 75 gives the senators generous treatment. I am inclined to believe that it might be advisable to place the retirement age at 70, in order to give some assurance of senatorial vitality. I would prefer not to see provincial governments involved in the appointments of senators.

• • •

FRANK T. STANFIELD, Manufacturer, Truro, N. S.

My opinion is that Canadian senators should be elected, the same as in United States, for six or eight-year terms; and each province should have the same number of senators as at present.

• • •

HON. H. H. STEVENS, Former Minister of Trade & Commerce, Vancouver.

Senate reform has bee trofled with ever since Mackenzie King's Richmond Hill speech over 20 years ago, but without useful results. Appointments by provincial governments are not an improvement. In spite of the handicap of machine politics, appointment to the Canadian Senate has been a valuable arm of democratic government. Qualifications for choice ought to include experience in business, social and public activities, coupled with reasonable capabilities of elucidation. These characterize a substantial number of present incumbents who perform valuable and efficient service. The drones are creatures of machine politics, without desirable or commendable qualities, to whom an age limit should be applied.

BUSINESS THIS WEEK

	DEC.	NOV.	OCT.	SEPT.	Year Ago
GOVERNMENT FINANCE (millions of $)					
*Dominion total revenue	233.7	214.9	229.6	210.9	264.2
*Dom. total expend.	160.4	183.7	170.5	171.9	179.4
MERCHANDISING					
Dept. store sales index no. (1)	....	....	286.4	287.9	254.8
*Retail sales index (no.)	....	274.5	254.1	241.2	245.8
Wholesale sales index (no.)	....	....	325.5	301.7	276.8
FINANCE					
Dividend payment index (5)	183.1	175.8	174.4	172.0	147.4
Bank debits	....	....	240.1	227.0	210.3
Money supply (millions $)	....	....	7,619	7,469	7,416
NEWSPRINT CAPACITY					
Production ratio	....	....	104.3	104.0	100.7
Shipment ratio	....	....	102.5	107.8	103.6
RAILWAY FREIGHT LOADINGS					
*Tons (D.B.S.)	199.1	148.5	150.4	152.2	188.2
*Cars (D.B.S.)	169.2	153.1	146.9	140.4	155.3
COST OF LIVING					
D.B.S.	146.0	143.6	142.2	139.4	127.1
EMPLOYMENT INDEX					
All industries	....	197.4	194.8	193.2	182.7
Manufacturing	....	205.0	103.6	203.3	192.8
Payrolls (June 1/41=100) (2)	....	188.5	184.5	180.1	154.6

	1947-48	1946-47	1947-48 Jan. 1 to date	1946-47 Jan. 1 to date	% Change
RAILWAYS—(000's omitted)					
*Carloadings (week Jan. 10)	74,300	53,484	127,724	121,674	+5.0
C.N.R. net rev. (Nov.)	4,924	5,661	37,325	40,346	—7.5
C.N.R. gross rev. (Nov.)	37,493	37,128	399,699	364,775	+9.6
C.P.R. gross rev. (Nov.)	27,235	26,264	289,981	267,548	+8.4
C.P.R. net rev. (Nov.)	3,155	3,746	18,969	17,723	+7.0
IRON AND STEEL (000's omitted) (Nov.)					
*Pig iron production (tons)	174.1	135.3	1,804.3	1,242.3	+45.2
*Steel production (tons)	255.4	222.6	2,695.4	2,097.3	+28.5
CONSTRUCTION (000's omitted)					
Contracts awarded (Nov.)	59.8	48.1	683,035	663,355	+2.9
Cement prod., bbls. (Oct.)	1,239	1,041	10,014	8,980	+11.5
AGRICULTURE (000's omitted)					
Flour prod., bbls. (Nov.)	2,159	2,519	26,413	25,027	+5.5
Flour exp., bbls. (Nov.)	1,197	1,277	16,990	14,171	+19.9
Wheat exp., bush. (Oct.)	10,981	19,217	127,247	126,437	+0.6
*Cattle sales (Dec.) (4)	199.9	172.1	1,581.5	1,889.1	—16.3
*Hog sales (Dec.) (4)	613.5	404.5	4,756.0	4,460.7	+6.6
SEA FISHERIES (000,000's omitted)					
Catch, lb. (Oct.)	148.2	123.7	947.7	1,030.9	—8.1
Landed value (Oct.) $	5.1	10.0	40.5	51.3	—21.1
NEWSPRINT (000's omitted)					
Production (Oct.)	396	376	3,713	3,437	+8.0
Exports, tons (Oct.)	390	387	3,727	3,404	+9.5
MINING AND OILS (000's omitted					
Coal prod. (tons) (Oct.)	1,733	1,627	12,328	14,658	+18.8
Gold prod. (fine oz.) (Oct.)	259	241	2,543	2,372	+7.2
Petroleum prod. (brl.) (Oct.)	724	639	6,241	6,393	—2.4
ELECTRICAL POWER OUTPUT (000,000's omitted) (Nov.)					
Total monthly kw.h.	3,614	3,567	41,322	37,932	+8.9
FOREIGN TRADE (millions of $)					
Imports (Nov.)	229.1	198.2	2,379.8	1,745.4	—15.9
Exports (Nov.)	253.1	232.2	2,508.7	2,100.3	+19.4
FINANCE (millions of $)					
Bank debits (Nov.)	6,774	6,211	67,687	63,312	+6.9
*Bond sales (Dec.)	206.3	224.6	4,446.8	5,692.1	—21.9
Life insurance sales (Oct.)	102.7	105.7	907.8	887.0	+2.5
OTHER INDUSTRIAL FACTORS (000,000's omitted)					
Shoe prod. (Oct.)	2.9	3.8	30.3	36.5	—17.0
Cigarette cons. (no.) (Nov.)	1,365	1,408	13,814	13,645	+1.2

(1) Base period 1935-39=100.
(2) All industries.
*New items for week.
(4) Total at yards and plants.
(5) Nesbitt, Thomson, etc.

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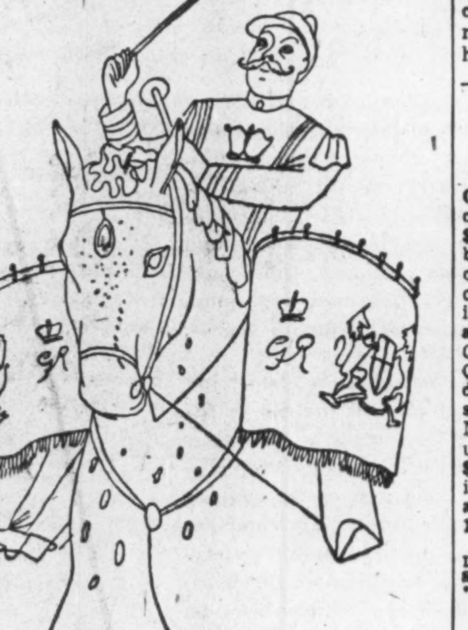

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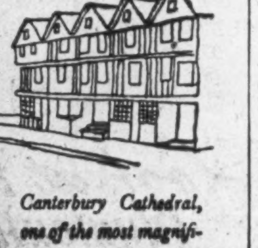

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COMPANY REPORTS

GUARANTY TRUST CO. OF CANADA 1947 net profit of $46,838 compares with the previous year's $28,405. All departments of the business contributed to success of operations, it is stated. Sharply increased total assets under administration of $17,162,504 reflects the amalgamation of Capital Trust Corp. with Guaranty Trust Co. of Canada on May 31, 1947. Savings deposits of $15,593,573 are up sharply from last year's $5,683,042. Mortgages stood at $6,259,836 — up sharply from previous year's $828,734. Reserve funds have been increased $100,000 and now stand at $500,000. Liquid assets are 123.48% of savings deposits.

	1947	1946
Liab. to public, etc.*	$15,623,446	$5,699,254
Shareholders' equity	1,539,058	926,871
*Secured by		
Mortgages	6,259,836	828,734
Real estate	1	1
Office premises	186,259	37,130
Other assets†	10,716,408	5,760,260
Total	17,162,504	6,626,125
Estates account	34,706,927	21,677,531
†Includes bonds and stocks.		
Earnings per Share	‡$6.25	$5.68
Paid	5.00	5.00

‡Based on average of 7,500 shs. o/s in year.

NATIONAL PRESSURE COOKER CO. Operations of the National Pressure Cooker Co. (Canada) Ltd., the Canadian affiliate, were highly satisfactory for the fiscal year ended Sept. 30, 1947. Plans are now in process to provide for the manufacture of Martin outboard motors in the Canadian plant during the early part of 1948. Combined U. S. and Canadian sales amounted to $52,561,013 ($34,582,184). Consolidated net earnings, including company's proportionate interest in estimated profits of the Canadian affiliate amounted to $5,793,294 ($3,205,595).

Survey Indicates More National Ads

Possibility of an increase in Canadian national advertising this year is reported by Marketing, based on replies of 220 advertisers to a survey.

Their replies: over 43% plan to spend more in advertising this year than last; 34% hope to spend the same amount; 2.29% expect to spend less and 20% are undecided. Key to the final over-all picture is seen in this latter 20%.

Publishers look for increased advertising volume in spite of the continuing paper shortage, Marketing reports. None of the agencies anticipated a marked drop in business.

Increased output resulting from more adequate supplies of raw materials was given as the major reason as sales managers budgeted for bigger business.

duction cmfad

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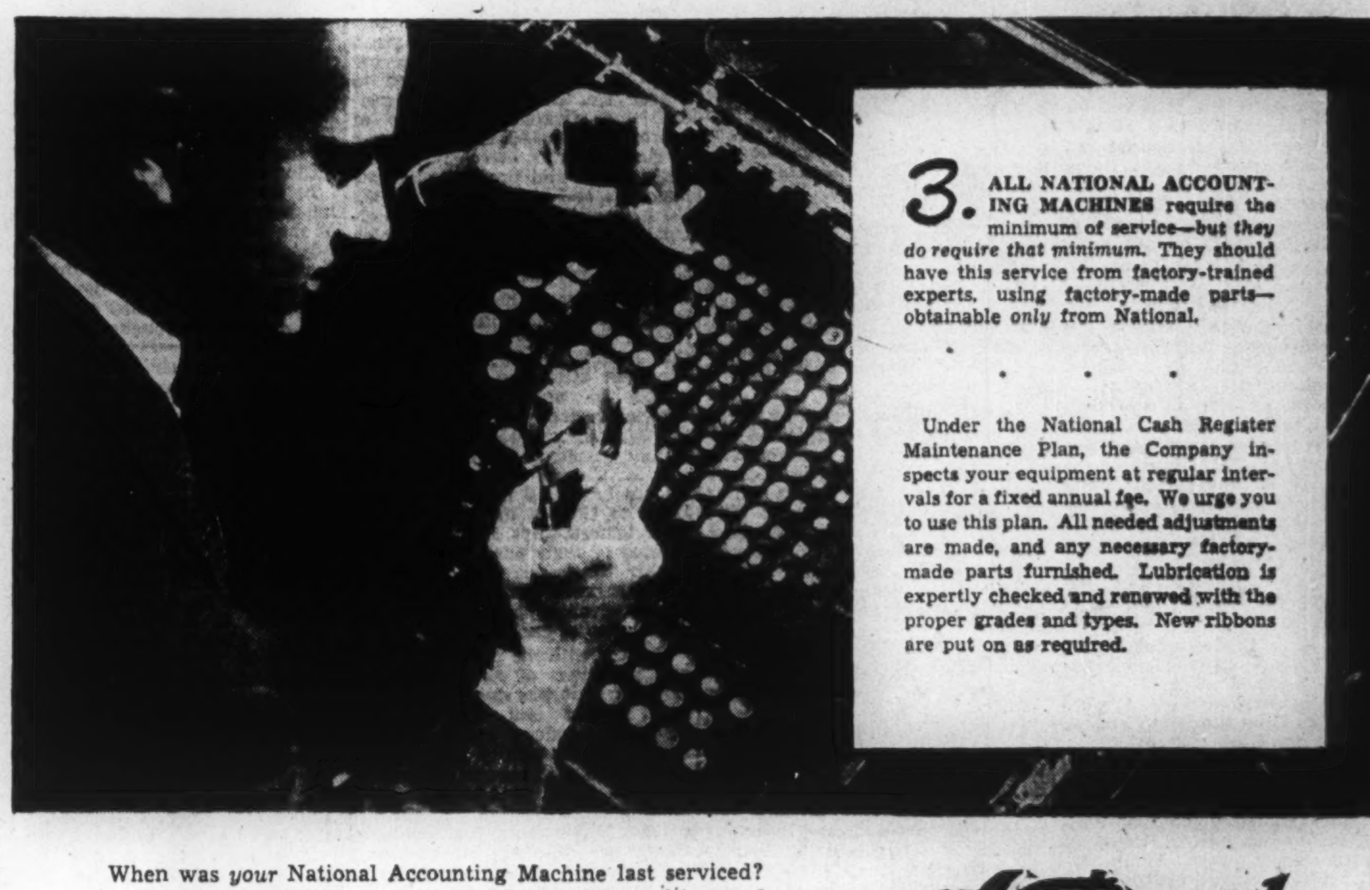

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THE NATIONAL CASH REGISTER COMPANY OF CANADA LIMITED

The Provincial Roundup

British Columbia

Record Budget Due: The province's budget might reach a record-shattering $65 millions this year, rumors in the capital hinted as the Johnson-Anscomb Coalition Government prepared to face the House (probably March 2). Some quarters predicted that first-draft departmental estimates might total $70 millions; but agreed that this figure would probably be pruned, either before it came into the House, or later. Already Health and Welfare Minister Pearson had sounded a warning that welfare appropriations would probably be "enormous" (including an additional $1 million for social assistance and nearly $2 millions extra for old age pensions).

The legislative session would be late in opening, due to cabinet reorganization, and to by-elections pending (Feb. 23) in Cariboo and Saanich. Meanwhile, Finance Minister Herbert Anscomb explained why Progressive Conservatives had agreed to an extension of the Coalition, despite disappointment that the premiership had not been allotted to them: "It is purely and simply a matter of democracy versus Communism. While there are important differences between theories of Conservatives and Liberals, both are advocates of free enterprise. Today our differences must be retired to the background. We are fighting to maintain our way of life, the democratic system of free enterprise. We in British Columbia are no more immune to the infiltration of the Communist-Socialist doctrine, than are the countries of Europe, Asia or South America. Personal and party considerations must be secondary to the welfare of the people of our province."

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Alberta

Farm Merger Nearer: The long-cherished dream of one over-all farm organization in the province was a step nearer reality today, as the United Farmers of Alberta wound up its 39th annual convention, in Edmonton. The gathering voted to amalgamate with the Alberta Farmers Union, and to divorce itself from its co-operative enterprises. The UFA will retain its affiliation with the Alberta Federation of Agriculture.

Completion of the union of the two "dirt farm" bodies, now depends on a plebiscite which the Alberta Farmers Union, at its last convention, decided to take among its members (each of the two bodies claims a strength of approximately 16,000).

Separation of the UFA and its $4.5 million Central Co-operative Association business deleted "non-dirt" farmers from the UFA, one of the essentials to union laid down by the AFU. However, the separation had been mooted for several years.

Delegates to the convention in their resolutions made it evident they wished to retain present farm price stability, even at the cost of present lower prices; to retain and develop the British market, although looking forward to freer trade on a world market. They also wanted the embargo on shipment of cattle to the United States lifted.

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Saskatchewan

Test Court Rights?: The time has come, Premier T. C. Douglas insisted, when "some government, acting for the people, must challenge the right of the courts to frustrate the will of the electorate." For three years and a half, said Douglas, "we have fought on the side of the common people, in every struggle with the vested interests; and in each case, we have collided head-on with the courts." Too often, he declared, courts, "set up to interpret the law, and see justice meted out, have deemed it their duty to interpret the letter, rather than the spirit of he law."

The premier said the people of Saskatchewan "want security and have voted for it"; the Government had a responsibility to give them that security, even if it meant battling through every court in the land and finally going to the foot of the throne itself.

Simultaneously, however, Douglas faced a challenge from Liberal Leader W. A. Tucker, to place his program before the court of the people: "Hold an election this year, as soon as climatic and road conditions permit . . . I am convinced that continuation of the present Government is detrimental to our people." Douglas, who had promised earlier (The Financial Post, July 5, 1947) that "if he (Tucker) wants an election, we'll give it to him so fast he will be dizzy," now made no immediate reply.

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Manitoba

House Meets Feb. 10: Two special legislature committees were speeding their deliberations this week, in an effort to have reports ready for the legislature when it convenes Feb. 10. One, studying the thorny question of redistribution (The Financial Post, Jan. 3) still appeared far from agreement. Predicting that the committee "will never do a satisfactory job," L. St. George Stubbs, independent MPP, had urged Winnipeg and 15 suburban municipalities to "take a lead in organizing public opinion, to force the issue." The second group was surveying the problem of Hutterite colonies along the Assiniboine River, between Headingly and Portage la Prairie.

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Ontario

Face Test in Dry Area: The two old parties would face their first test of strength since election of Farquhar Oliver as Liberal leader (The Financial Post, May 24, 1947), in a by-election Feb. 16 in Huron County — an interesting battleground, because it is one of the province's few areas dry under the Canada Temperance Act. The Drew Government's cocktail bar legislation would probably be an issue in the campaign, in which Progressive Conservative and Liberal candidates were already nominated, with the possibility of a CCF candidate and a straight prohibitionist also in the field. Liberal Leader Oliver pledged pensions for all crippled and disabled, and called for immediate increase in old-age pensions. Premier Drew countered by pointing to increased education grants, which he said had saved the town of Goderich 13.3 mills in taxes last year. With the legislature expected to convene two days after the by-election, prospects of a 1948 general election were admittedly more remote than a few weeks ago; but some observers still did not rule the possibility completely out.

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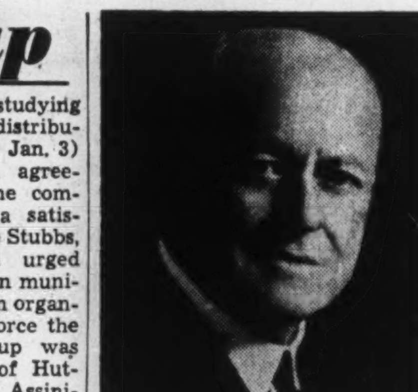
New Brunswick

Biggest Surplus Yet: Provincial Treasurer J. J. Hayes Doone pointed with pride this week to a record surplus of $6,347,819 for the fiscal year ended Oct. 31 last. It marked the eighth consecutive year in which the province had finished in the black, for a total eight-year surplus of $13,523,922. Revenues of $25,574,373 and ordinary expenditures of $19,226,554 were both at new peaks. Sinking funds increased $1,768,453, to a total of $20,281,086. Treasurer Doone sounded a warning, however, that he could not continue to produce $6 million surpluses. Special provisions of the Ottawa tax agreement, he pointed out, "gave a substantial increase in the year's revenues . . . and in addition, the province has yet to face the full impact of municipal and educational assistance."



F. H. MARSH

president of the Bank of Toronto until this week, now becomes chairman of the board.

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Nova Scotia

Freight Rates Up: The province this week was feeling and appraising the full impact of 20% emergency freight rate increases granted U. S. railways earlier in the month. The boost automatically affected rates on some types of Canadian freight, as well as on shipments crossing the international border in other directions. Canadian railways, however, had temporarily cushioned the Maritimes, by deferring increases on grain and grain products until Jan. 15, and by setting ceilings for increases on numerous other commodities. Some Halifax importers voiced doubt that the rate hike would have far-reaching effects except on U. S. coal and coke, up 20 cents a ton. November's austerity edict had cut imports of many other articles almost to zero.

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P. E. Island

Good Catch, Not Record: The Island looked back on a 1947 fishing catch with landed value of approximately $1.8 millions, second largest in its history, although substantially below the record haul of 1946. Lobsters made up more than half the total; prices were lower than for several years past, and, coupled with high cost of gear and wages, the average fisherman's income was considerably below the wartime level.

'Red Tape' Safeguards War Savings Certificates

OTTAWA (Staff)—Complaints about the red tape involved in the cashing of war saving certificates are not taken very seriously among officials here.

One Financial Post subscriber who sent certificates from Saskatchewan got nothing back but a form letter telling him he had forgotten to endorse them. The letter had half a dozen paragraphs giving alternate reasons reasons why the certificates might have been returned, all of which suggested to the correspondent that the bureaucrats were at work in a big way to make it hard to get his money.

There are two official answers to the complaint.

1. If you want to cash your certificates the "easy" way, you can turn them into a chartered bank branch and for five cents each you can get your money. (The charge where banks keep a batch of certificates and cash them one by one over a period of months or years is larger, because it includes costs of safe-keeping on the part of the bank. These charges may run from 15 cents to $1, in the case of larger denominations.)

2. Even the banks have to send the certificates to Ottawa for cashing, because the system under which these were issued, called for a central registry and for clearance with this registry in the case of maturity or sale.

One important reason given for doing this is that under this system it has been possible to replace lost, strayed or stolen certificates promptly.

By the way, if you do send your own certificates direct to Ottawa for cashing, remember these points:

1. Your letter will go post free.

2. You must not endorse certificates on the typewriter; they must be signed by hand.

3. Only the registered owner can endorse them and the endorsement must agree with the name on the face of the certificate.

4. If the registered owner is a "minor," the Government will accept the child's endorsement. If the child is unable to write, the father or mother should endorse the certificate on the child's behalf. "John Smith, father of Eliza."

NATIONAL TRUST APPOINTMENTS

J. G. HUNGERFORD

HARRY H. WILSON

National Trust Company, Limited announces the appointment of H. H. Wilson and J. G. Hungerford as Assistant General Managers.

Mr. Wilson joined the Company in September, 1922, was appointed Treasurer in January, 1940, Manager of Hamilton Office in Nov., 1941, and Manager of Montreal Office in May, 1946.

Mr. Hungerford joined the Company as a Trust Officer in December, 1929 and was appointed Manager of the Trust Department at Toronto in November, 1944.

Mr. Wilson will remain in Montreal and Mr. Hungerford will continue in charge of the Trust Department at Toronto.

THE PROVINCIAL BANK OF CANADA

47th ANNUAL GENERAL MEETING OF SHAREHOLDERS

Address delivered by the Honourable Es. L. Patenaude, President

PRUDENCE IN OUR NATIONAL ECONOMY — MAINTENANCE OF PRIVATE ENTERPRISE — PATERNALISTIC TRENDS—IMMIGRATION—CONFUSION OF OUR TIMES — EDUCATION OF YOUTH.

The 47th annual general meeting of shareholders of The Provincial Bank of Canada was held at the Bank's Head Office, Montreal, on Thursday, January 8th at noon, under the chairmanship of the Honourable Es. L. Patenaude, P.C., K.C. The Secretary read the reports of the Board of Directors and of the auditors.

Addressing the shareholders, the President, The Honourable Es. L. Patenaude, P.C., K.C., stated in part as follows:

Recalling the resignation during the year of Mr. George A. Savoy, a Vice-President, member of the Board of Directors since January 1934, the President referred to his keen interest in the Bank's development. Subsequently, Honourable Senator Elie Beauregard was appointed Vice-President and Mr. J. Edouard Labelle, to the Board. Their outstanding ability and long business experience will enable them to be of great assistance to your Bank.

Referring to the continued favourable state of business, the Honourable Mr. Patenaude, gave a brief analysis of the changing relationship between supply and demand, purchasing power and bank deposits, and he remarked on the general trends in the principal industries. The bank's new records under various headings, he said, had made possible pay increases and establishment of a staff provident fund. Also, he added, the Board had declared a special dividend of 1% for the year 1947.

Dealing with the favourable results encountered in all lines of enterprise, the Honourable Mr. Patenaude cautioned against insidious propaganda designed to create the opinion that all profits in all enterprises are exorbitant and which does not take into account the lesson of the past confirming the recurrence of years of profitless operations. He pointed to the need of husbanding present earnings to be in a position to provide for all contingencies. He also stated that successful private enterprise is essential to our way of life, to the development of new initiatives, and to progress of the community in general.

After advising restraint in the creation of organizations and enterprises of uncertain value, he dealt with the urgency of relieving public budgets from the strain created by shifting the responsibility of the individual to the state. Referring to dangers inherent in policies based on the expectation of maintaining our war inflated volume of business, the Honourable Mr. Patenaude warned against belief in uniformly high future levels of economic activity and invited public opinion to refrain from asking governments to assume unduly individual responsibilities. He also emphasized the need of a return to the practice of thrift to conserve our resources and to avoid the dissipation of our earnings.

He called upon statesmen to examine closely the causes and effects of our current problems and to seek their solution. He referred specifically to increases in the cost of living, purchasing power, the housing shortage, the scarcity of construction materials, capital and labour relations, taxes and imposts and the need of reducing the public debt and public expenditures. With respect to the problem of migration he deplored the exodus of Canadian youth while strangers are standing at our gates. Our human capital, he said, must be kept at home, and we must favour in every way its establishment within the country and prevent at all cost its migration. We cannot continue to suffer this loss, he added, especially if we take into account that it affects young people who already have received the benefit of a good training at our expense in our own educational institutions. They leave us, he said, at a time when we are making a special effort to develop our natural resources and they may soon regret it. The Hon. Mr. Patenaude recommended great prudence in the choice of immigrants. Since our form of government depends on the type of citizens we have, we must select without and educate within our borders this new population, and particularly see to it that it respects duly constituted authority and our way of life which favours freedom of the individual and full development of the human person, he stated.

Social problems created by scientific developments unsuspected until recent times call for renewed leadership to restore world order and to remove the factors which are undermining authority. The conflict between the forces of order and the forces of social disintegration has everywhere rapidly reached an acute stage, he declared, and has even provoked in the form of many governments a reaction which is distinctly absolutist. All of western civilization, the work of long centuries, is possibly jeopardized.

Confronted with this menace and in the midst of the general confusion we have to contend with, he inquired, how can we direct our generation and prepare our youth and how will they overcome the obstacles which stand in their way? In concluding, the Hon. Mr. Patenaude, called upon our schools of higher learning and universities to fulfil this benefitent mission amongst us as elsewhere, because we expect from them science and enlightenment. Through a sound doctrine and by their Christian inspiration they shall bring us to see more clearly the star of Bethlehem, ever shining upon the world, and leading the way to salvation.

MR. J. UBALD BOYER, General Manager, comments annual statement

NOTABLE INCREASE IN ASSETS, LOANS AND DEPOSITS.

The General Manager, Mr. J. U. Boyer presented an analysis of the financial statement, addressing the meeting, in part as follows:

Our statement for the fiscal year ending 29th November 1947 reflects marked progress, said Mr. Boyer. Referring to balance sheet figures, he stated that total assets of the Bank amounting to $142,758,116 continued to show a highly liquid position. Cash and other readily realizable assets aggregate $106,796,330 equivalent to 78% of all responsibilities to the public. Securities of the Federal and Provincial Governments maturing within two years amount to $27,392,707 compared to $42,764,934 in 1946. The reduction being due in the main to the redemption of certificates of deposit by the Dominion Government during the year.

Other Dominion and Provincial securities of longer maturities stand at $38,741,165 and show an increase of $5,100,675. These changes in the Bank's portfolio have contributed to improve the average yield on investments.

Current loans and discounts stand at $33,536,855 and show an increase of $8,025,809 or 31% compared to a year ago. This represents a general and diversified increase of approximately $7,000,000 in advances to manufacturers, merchants, builders, farmers and producers of raw materials, and an increase of $1,200,000 in loans to cities, towns, municipalities and school districts which have now reached the total of $3,568,035, revealed Mr. Boyer.

Pointing out that the present level of loans and discounts is the highest which has been reached in the Bank's history, the General Manager attributed the increase mostly to new business. After drawing on their reserves and using the working capital which had remained inactive during the war, said Mr. Boyer, manufacturers and traders have had recourse to their Bank to finance the expansion of their undertakings or maintain the volume of their business. It would appear timely, he added, to warn manufacturers and merchants against over expansion of the accumulation of excessive inventories.

Dealing with the present prosperous conditions of agriculture, Mr. Boyer said it was due to an excellent market and unprecedented prices for products which as a rule are of better quality and sold in accordance with recognized grading practice. Farm modernization, including electrification and the use of new implements, had lightened the farmer's burden while providing an increased output. The drop in residential building during the war years created a very serious housing shortage throughout Canada, continued Mr. Boyer. The owners of properties acquired before 1941 have suffered from too low a ceiling on rentals, he added. On the other hand, tenants of new dwellings have complained of excessive rentals. Builders are having extreme difficulty in finding essential materials in sufficient quantities while prices are exorbitant and the cost of labour very high. As long as there is no proper coordination between these various factors, cautioned Mr. Boyer, scarcity and overcrowding of dwellings will continue to be a national problem.

Reverting to the analysis of the financial statement the General Manager pointed out that deposits by the public had reached a new high of $131,730,045, an increase of $4,770,552. Non-interest bearing deposits amount to $27,119,389 and are approximately $1,000,000 higher than last year. Savings deposits at $104,610,657 also indicate an increase of $3,782,937.

After making the usual appropriations to cover fully bad and doubtful debts the profits for the year are $689,056, an increase of $182,774, continued Mr. Boyer. From these profits a reserve of $187,898 has been made to provide for Federal and Provincial taxes which are $26,162 higher than in 1946. The sum of $79,650 has been written off Bank Premises.

The Bank has in operation 131 branches and 207 agencies in the Provinces of Quebec, Ontario, New Brunswick and Prince Edward Island, he reported. All the branches of the Bank have been inspected during the year.

In closing, Mr. Boyer expressed his appreciation to the Members of the Board of Directors for their wholehearted co-operation and he thanked the members of the staff of the Bank for their devotion to duty and the sustained effort they had displayed throughout the year.

Revised shareholders' by-laws were approved unanimously as read by the Secretary of the Meeting.

Were elected to the Board of Directors: Honourable Senator Elie Beauregard, K.C.; Mr. J. Ubald Boyer; Honourable J. A. Brillant, M.L.C.; Messrs. C. L. Carsley; C. G. de Tonnancour and Herve Duval; Honourable R. O. Grothe, M.L.C.; Messrs. J. Edouard Labelle, K.C.; Alfred Marois, Jr.; Dr. R. H. Parent; Honourable Es. L. Patenaude, P.C., K.C.; Mr. C. E. Prefontaine.

Were elected members of the Board of Commissioners-Censors: Messrs. Odilon Crevier; Narcisse Ducharme; L. E. Langis Galipeault, K.C.; Edouard Gohier; Honourable Senator Antoine J. Leger, K.C.; Messrs. Lucien Masse, C.A.; Victor Morin; Clement Tremblay and also the President of the Bank, the Honourable Es. L. Patenaude, P.C., K.C., who is a member ex-officio.

At a special meeting of the Board of Directors held immediately after the shareholders meeting, the Honourable Es. L. Patenaude, P.C., K.C., was re-elected President of the Bank and the Honourable Senator Elie Beauregard, K.C., and Mr. Cecil L. Carsley, Vice-Presidents. At a meeting of the Board of Commissioner-Censors, Mr. Victor Morin was re-elected President and the Honourable Senator Antoine J. Leger, K.C., Vice-President.

Plymouth now has the new Super Cushion Tires-

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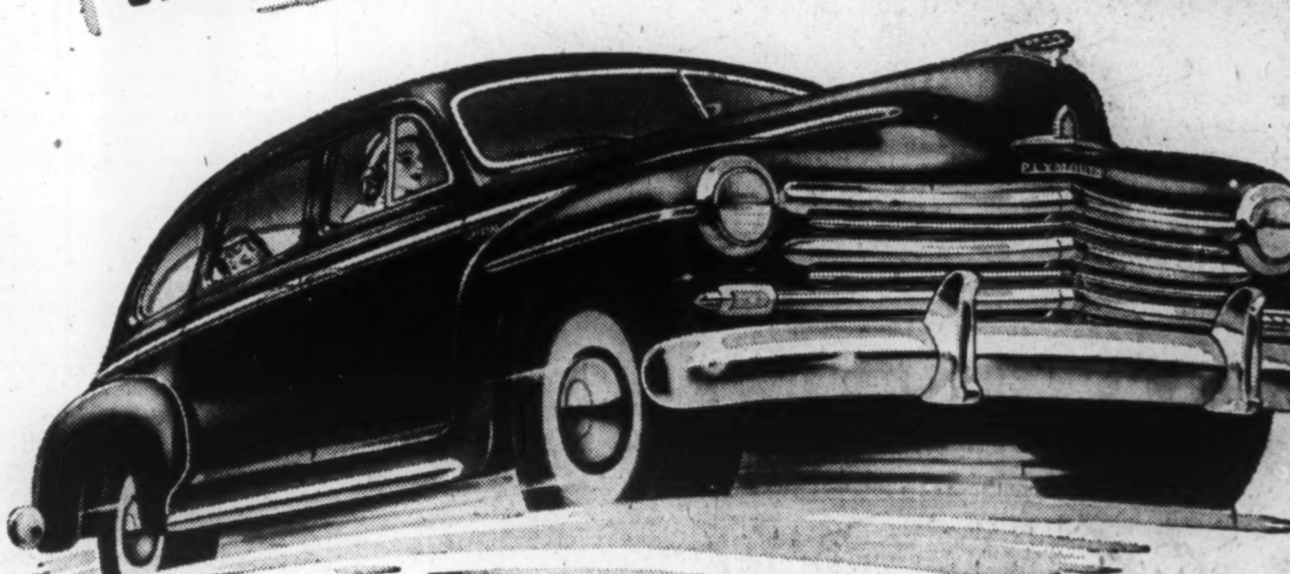
CAR #3 HAS	8



PLYMOUTH brings you *another* quality feature—this time, the new, revolutionary Super Cushion tires. These new tires mounted on Plymouth Safety-Rim Wheels will raise the present standards of safety in motoring. Super Cushions are bigger, softer and provide better traction than ordinary tires—your Plymouth will handle with *still greater* ease—and, they're STANDARD equipment on *all* Plymouth models.

With Plymouth Safety-Rim Wheels it is almost impossible for a tire to twist or pull off the rim in the event of a blowout. Super Cushion tires with their 26% more air volume at only 24 pounds *maximum* pressure provide a "softer" air and cooler running which lessens the chances of a blowout. The combination of these pillow-like tires with Plymouth Safety-Rim Wheels and Plymouth's scientific weight-distribution gives you a *new* kind of ride—a smoother ride, a *safer* ride than you've ever had before.

Remember, Safety-Rim Wheels and Super Cushion tires are STANDARD equipment on *all* Plymouth models. Plymouth is the car in the lowest-priced field that gives you the most quality for your money.

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LABOR ROUNDUP — By RONALD WILLIAMS

Ontario AFL Flays Tories, Liberals May Support CCF in Political Action

This week, the Canadian Congress of Labor campaign for political action by trade unions got a powerful shot in the arm from where it was least expected: the AFL.

In Toronto, the Ontario Federation of the Trades and Labor Congress of Canada scuttled the AFL's traditional no-politics policy by condemning both Conservatives and Liberals and laying the foundation for support of Labor candidates.

This was labor news of far-reaching importance. The Ontario Federation represents 150,000 AFL trade unionists, nearly half of the Canadian AFL movement. Thus, in a single move, they raised the percentage of Canadian union men pledged to political action from 50% (the CCL) to 75%.

By resolution, the Federation called on its members to defeat all members of the Ontario legislature who voted against legislation advocated by the Federation. The Ontario Government, it added, not only failed to act on any of the Federation's proposals, but fought and defeated all legislative matters that had the support of organized labor.

The wrath of the labor men was not confined to the Conservatives. "The Liberal party," the resolution continued, "in Ontario and at Ottawa has shown no greater consideration of labor's demands and needs."

Both old line parties have "consistently followed the dictates of big business," and no longer deserve the support of labor. The CCF wasn't mentioned officially, but a top-ranking official indicated privately that CCF candidates who were also trade unionists, would probably receive AFL endorsation in Ontario at least.

That's as far as the Federation appeared to be ready to go in endorsing the CCF. In this they were not prepared to go as far as the rival CCL which has given the CCF its okay since 1943.

A significant feature of the AFL action was that it was not the result of pressure from CCF trade unionists as in the CCL. In the younger, CCL, the CCF element now has complete control. In the AFL, nonpartisan unionists perhaps outnumber the CCFers and Communists. Thus the decision is a significant indication of current nonpartisan labor thinking.

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AFL Lays Plans For Wage Drive

The Federation also:

—Laid plans for a major wage drive by AFL-TLC unions and cautioned against attempts to freeze wages.

—Sidetracked a resolution calling on the Government to lift the ban on margarine.

—Demanded a new provincial labor code designed to "remove injustices" by making automatic grievance procedure and union security permanent unless changed by mutual consent; extending unfair practices to include any threat to shutdown, lockout or move a plant; granting the right to apply for certification when 25% in a plant indicate they want it; certifying unions instead of individuals; granting check-off and union shop on a simple majority.

—Asked for a minimum wage of 75c an hour.

—Elected A. F. McArthur, International representative Teamsters' Union, president to succeed Don Dunlop, Toronto and Hugh Sedgewick, Hamilton, secretary to succeed J. W. Buckley, now secretary of the TLC.

—Failed to keep all pro-Communists off the Executive Board. Bruce Magnuson, secretary of the Lumber and Sawmill Workers, and a Communist of long standing, won re-election but Sam LaPedes veteran leftist from Toronto didn't make it. Others elected: William Godfrey, president Fort William Trades and Labor Council, and Bert Green, Bricklayers' Union, Toronto.

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T. Eaton Co. is Goal Of CCL Organizers

The Canadian Congress of Labor has started a concerted drive to organize the T. Eaton Co. The union involved is the Retail, Wholesale and Department Store Union but it has the full backing of the CCL.

In charge of the campaign will be a young woman, Eileen Tallman, recently brought from the West Coast to head up the Eaton drive. Miss Tallman got her start in the labor movement through the CCF Youth movement in Toronto, moving west during the war to organize in Vancouver.

In announcing the drive, Norman Twist, Canadian director, said the retail industry is among the last major unorganized Canadian groups. The union union will concentrate on all unorganized sections of the store in Toronto, including sayes people, mail order and factories.

Then it will spread out to take in all T. Eaton Co. branches and subsequently, all department store employees across the country.

• • •

B. C. Labor Board Personnel Named

Last week the personnel of British Columbia's new Labor Relations Board were announced: J. Pitcairn Hogg, Government legal officer, temporary chairman at $7,500 a year; MacGregor MacIntosh, former Conservative MPP; Fred W. Smelts, former B. C. Electric sales manager; George Wilkinson, secretary Victoria Labor Council (AFL) and Henry Strange Sr., railway clerk from Westminster. All will get $5,000 a year.

The labor men are Wilkinson and Strange. They were chosen from a panel of names submitted by labor groups.

For the AFL, Ald. R. K. Gervin, secretary Vancouver, New Westminster Trades and Labor Council, okayed the choices: "We are in complete approval with the appointments."

The leftist B. C. Federation of Labor was anything but happy, probably because none of its nominees made the grade.

Said Harold Pritchett, "The Federation made three recommendations (Pritchett was one) and the Minister gave no consideration to any of them. The appointments have been made with complete disregard to the recommendations of the Federation."

Most controversial appointment is expected to be that of Wilkinson, because of his blunt opposition to Communist-dominated unions and radicals generally in the powerful West Coast labor movement. The CCL generally has little use for him. In AFL circles he is extremely popular.

A comparative newcomer to labor circles, he has made a particular mark in organizing white-collar workers, including among his contracts one for the Victoria police force. The AFL retail clerks' organization has become a powerful union under his guidance, boasting in one chain store the highest clerks' wages in Canada.

The Board's first task will be to hear representations for amendments to "Bill 39," B. C.'s new labor code. Eventually, the board's powers might be extended to take in those of a labor court. This is the meaning some observers are reading into the fact that the Government is prepared to pay out $27,500 annually in salaries, suggesting that the positions are to be full-time jobs.

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Quebec Will Cut Arbitration Delays

One of labor's chief gripes about arbitration procedure is the delay in getting decisions. Quebec is no exception but things are about to be different there. Amendments are to be brought down at this session of the Quebec legislature to speed up arbitration machinery.

At present a strike cannot be legally called until after conciliation and arbitration plus a 14-day cooling-off period. However, because of delays in naming employee or employer representatives to Boards of Arbitration, the normal waiting period is often prolonged.

The proposed amendments are aimed at eliminating such delays by placing a 10-day time limit for both sides to make up their minds. Delays which occur when a member resigns are also being dealt with.

At the moment, these are the only major amendments scheduled for this session as the Superior Council of Labor is still studying other major changes, none of which are expected to be ready for action this session.

• • •

Firm, Union Co-operate On Get-Out-The-Vote Idea

Not more than two out of every five eligible voters exercised their franchise at the last municipal elections in Canada. To try and raise the percentage of voters, polling days have been juggled but without much improvement.

Last week, an employer and a union were working on a scheme, which if adopted widely, had a good chance of doing the trick. The employer: Monarch Knitting Co. (Ont.) The union: The CIO-CCL Textile Workers of America.

The scheme: pay employees for time off to vote on any election day provided they show actual proof of voting.

The catch: foolproof evidence of having voted. To get airtight evidence it looked like co-operation of returning officers might be necessary. Because of technicalities, this would be easier said than done.

For this reason the exact wording of a clause covering the voting plan and which is to be included in a master agreement, leaves the way open for development of a workable arrangement.

As it now stands, the clause reads: "In order to help preserve democracy, the company agrees to encourage all employees to use their franchise and for this purpose will close the mill for (blank) hours on each civic, provincial and federal election without loss of pay.

"In order to insure that employees eligible to vote use their franchise, the company and union will develop a card to be signed by the Returning Officer. . . . Anyone failing to return the card or failing to have it signed will not be paid. . . ".

COMPANY REPORTS

NATIONAL TRUST CO. 1947 net profit of $379,730 was up $43,389 from 1946. Estates, trusts and agencies under company management increased $7,464,269 during the year to $312,844,754. Total assets at year end amounted to $33,667,701 ($31,705,788 at end of 1946).

The company's reserve fund has been further increased by the transfer of $500,000 from contingent reserve. The reserve fund is now $3 millions, the amount at which it stood prior to the transfer of $1,250,000 to contingent reserve in 1937.

	1947	1946
Liab. to public*	$27,482,897	$26,108,214
Shareholders' equity	6,184,804	5,597,574
*Secured by:		
Mtges. & sales agree.	3,682,601	4,372,567
Realty	7,683	11,490
Office premises ..	810,348	810,348
Liquid assets† ...	29,167,067	26,511,383
Total	33,667,701	31,705,788
†Includes bonds and stocks.		
Estates account	312,844,754	303,380,488
Earned per share ..	$1.27	$1.12
Paid	0.97½	0.90

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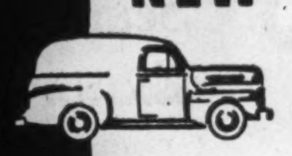
- Deluxe appearance through clean, rugged lines.
- Headlamps and radiator grille recessed for better protection.
- Rustless, stamped steel, interchangeable grille bars for easy replacement.
- Heavy, channel-iron bumper bolted direct to frame gives added strength.
- Bright-finish mouldings over entire sweep of front fenders.

NEW
- Passenger car comfort in the entirely new, bigger, roomier cab.
- Doors are three inches wider; moved forward for easier entry.
- More hiproom, headroom, legroom; Sedan-type seat with rubberised hair cushion pad.
- Both seat and back adjustable for greater driving comfort.
- Safety-vision, one-piece windshield is wider and deeper for greater visibility.
- Three-way ventilation supplies fresh air without draughts.


NEW
- Five great series. • Gross vehicle weights from 4700 to 15,500 lbs.
- Two famous V-type 8-cylinder Mercury Truck Engines.
- Straight through muffler design for improved engine performance.
- Demountable brake drums assure quicker, easier servicing.
- Wider, drop-center tire rims with 5° tapered bead seats.

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ON THE AIR!
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"FRED ALLEN"—Sunday evenings, Trans-Canada Network

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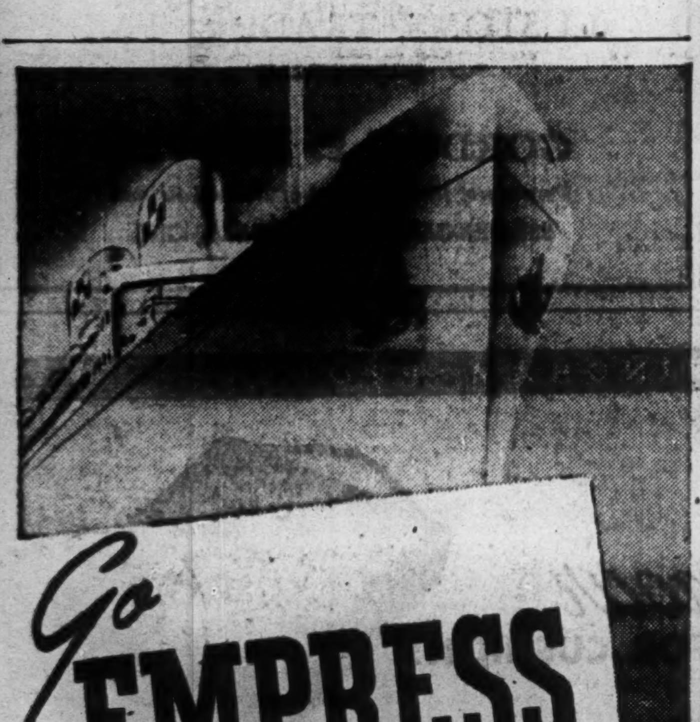

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Canadian Pacific

Iron Ores of Labrador, Quebec, Ontario To Fill U. S. Need, Provide Dollar Aid

By GORDON M. GRANT

Politically and economically, the immense emerging reserves of iron ore in Newfoundland, Labrador, New Quebec and Ontario, spell one of the most dramatic developments in Canadian history.

To the United States, possibilities of securing many added millions of tons of iron ore annually from British North America, seem to assure the all-important factor of political security. With reserves of high grade ores in the Great Lakes area Mesabi range dwindling, the U. S. must find new sources of iron ore. High grade iron ores can be imported from Brazil and other outlying sectors; but they must be brought over routes very vulnerable to attack in wartime. Inland water routes can be used for transfer ores from Canada and Newfoundland-Labrador. Ore sources here are regarded as much more secure.

To Canada, tremendous expansion of iron ore resources means access to needed supplies of U. S. dollars. Unofficial reports state that Canada is very interested indeed in seeing new sources of iron ore brought into production. There appear some reasons for thinking that the Dominion may assist financially a program aimed at stepping up production of iron ore.

Should Newfoundland join the Dominion of Canada, Newfoundland-Labrador could also become a beneficiary under any program which may be worked out.

The United States faces a situation which suggests a "scramble" for iron ore supplies may emerge at a relatively early date together with an increase in the price of ore. Bulk of remaining U. S. iron ore reserves are stated to be vested in companies which produce only a lesser proportion of the country's steel. This leaves remaining companies short on reserves even though the U. S. has probably 10-20 years of ore still available.

Bulk of known iron ore reserves are controlled by steel companies. These companies, it is reported, have found it beneficial to have a relatively low price prevailing for iron ore—and higher earnings on steel. This saves the companies from having to pay the exceptionally high state taxes applicable to profits from iron mining, it is stated.

What Price May Do

High grade lump ore of the old range type that Steep Rock ships fetches about $6.00 a ton. If treatment of lower grade ore and development of new sources of supply are to be secured, however, an increase of $2.00 or $2.50 a ton in the price of ore will be necessary, many authorities contend.

An increase of even $1 a ton would undoubtedly prove a major development in plans now being laid for increased production "north of the border."

Another year should give a much more comprehensive picture on Canada's overall ore resources. A few years hence, reserves of iron ore in British North America may be reckoned in billions of tons. All along the line, tentative or definite plans have been made for increased production and the ore reserves are available for backing up new production plans.

Labrador-Quebec Resources

The 3,900-square mile concession of Hollinger-controlled, Hollinger North Shore Exploration Co. and the adjoining 20,000-square mile Newfoundland-Labrador concession of Labrador Mining & Exploration Co., also Hollinger-controlled, have responded in splendid fashion to drill exploration this past season.

Well over 100 million tons of high-grade ore appear to have been outlined on the joint concessions. From dimensions of surface exposures, chances appear bright that exploration next summer may boost the drill-indicated total to 300 million tons or well on the way to $2 billions of ore.

Preliminary survey work has already been done by Hollinger for the 360-mile proposed rail line from the deposits area to year-round navigation on the Gulf of St. Lawrence at Seven Islands. When production will be reached will depend partly on what deliveries are quoted on heavy equipment after the final decision to proceed is made. Construction cost trends must be assessed very carefully in laying plans. There is an immense tonnage of ore available and a huge potential reserve of power available on the north-flowing Kaniapiskau River which is now being investigated. It appears only a question of "how long" until the deposits are tapped. Association of the M. A. Hanna Co., one of the biggest U. S. iron ore companies, with Hollinger, should prove of great assistance in this enterprise.

Probably over half the reserves of Labrador-New Quebec high-grade ore are at present located in New Quebec. This situation may be changed by further development and final determination of the Labrador-Quebec boundary. Many new companies are searching for iron ore on the northerly extension of the Labrador trough: Noracon, Fort Chimo, Quebec-Labrador, Fenimore Iron, etc. Geological formation is favorable.

Ontario Resources Expanded

A surprising extension of Ontario iron ore resources has taken place in recent years. Even lower grade deposits now appear of considerable economic consequence as being tributary to 80% of the steel-making capacity of the United States.

Steep Rock Iron Mines which reports over 70 million tons of ore in reserves is at present turning out 1.2 million tons of iron ore a year (1,206,248 tons in the latest shipping season). Production is coming from "B" ore body but the company is working on finances for opening of the "A" ore body with a consequent step-up in production to three million tons of ore a year. The company has other known iron deposits which lie at greater depth and which aren't being tapped at present. Further exploration work is being carried out. Quite a few millions of dollars will be required to place the "A" ore body in production, it is understood. A dredge required will cost over $1 million, would take a year to build.

Algoma Steel Progresses

In the Michipicoten area, Algoma Steel Corp., through a subsidiary, Algoma Ore Properties, is busily engaged in building up an "iron ore empire." General Manager George MacLeod has expressed the opinion that in the districts that include the Helen and Goulais ranges will be found in excess of a billion tons of iron ore. The Goulais deposits, as yet untapped, show 150 million tons of magnetite iron ore of disirable quality.

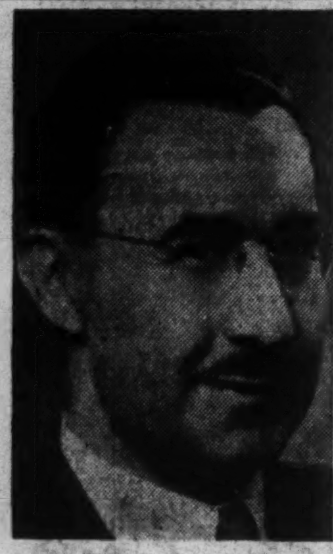
A new property, the Bartlett, shows a length of 4,000 ft. for which the iron and manganese averages better than the Helen producing mine. Width at shallow depths is narrower but is greater at depth. And grade is higher.

A fourth sintering unit is being installed at the Helen-Victoria operation to bring capacity to over 3,000 tons of sinter a day. A shaft has been sunk 656 ft. at the Helen mine and similar development at the Victoria mine is expected to make 22 million tons of underground ore available in the next 25 years. Expenditures totalling $3 millions are being made on this project.

In the Michicpicoten area, Sherritt Gordon has the chief interest in the Ruth and Lucy siderite properties which hold the promise of very substantial tonnages of beneficiating ore. Rehabilitation of the Josephine mine has not been attempted since the disastrous cave-in there.

Many other occurrences of iron exist across Canada which may attract attention. The Moose Mountain deposits in the Sudbury area are reported of a better grade than taconite ore to be concentrated in the United States. There is new interest in the iron ore occurrences up the Saguenay which are reported to average 45% iron. Hematite iron ore is stated to have been outlined under the waters of Little Whitefish Lake, Gatineau Co., Que.

The old idea that Canada had iron but that it was too low grade to warrant attention is quickly disappearing as the world grows shorter of iron ore.



RUSSELL E. MUNRO

Announcement has been made by the London Life Insurance Company of the appointment of Russell E. Munro to the position of Assistant Actuary.

Mr. Munro graduated from the University of Western Ontario in 1928 and pursued post-graduate studies there before joining the London Life. For several years he has been Head of the Valuation and Dividend Division. Mr. Munro is an Associate of the Actuarial Society of America, and of the American Institute of Actuaries. *

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PULP AND PAPER

Scandinavian Newsprint Exports 17.2% Over 1946

Canadian production of newsprint in 1947 totalled 4,446,789 tons, an increase of approximately 300,000 tons or 7.3% over 1946. Newfoundland production was up 3% at 373,375 tons and U. S. up 7.1% at 825,554 tons. Total North American production for the year was 5.6 million tons. Scandinavian exports for the first 11 months of 1947 totalled 483,317 tons, an increase of 17.2% over 1946.

Newsprint shipments increased 8.6% to 4,490,000 tons. The increase of shipments over production represented a decrease in the stocks held by manufacturers. Of total shipments 273,485 tons went to Canadian customers, 3,685,140 tons to United States and 531,375 tons to overseas countries.

To achieve the production record, newsprint mills operated at an average rate of 102.2% of capacity throughout the year. This compares with 96.8% in 1946. Annual rated capacity of Canadian producers for 1948 is 4,492,191 tons based on the 310 working days in the current year. For 309 working days and for comparative purposes with normal years the corresponding figure is 4,477,700 tons.

* * *

U. S. Publishers Report Increased Supply on Hand

Daily newspapers reporting to the American Newspaper Publishers Association had 36 days' supply of newsprint on hand and in transit at the end of December, 1947. This represents an increase of three days' supply compared with stocks on hand at the end of November, 1947. These stocks of 36 days at the end of December compare with 31 days in 1946; 37 days in 1945 and 44 days in 1941.

Total newsprint consumption in United States in 1947 is estimated to be 4,752,904 tons. This is an increase of 10.6% over 1946 and represents a greater percentage increase than occurred in newsprint production in either Canada or United States.

Newsprint stocks at the end of 1947, however, showed an increase over last year. Apparent total North American stocks at December totalled 604,729 tons compared with 571,609 tons in 1946. Actually the total United States supply in 1947 was 11.9% more than last year since imports from Europe increased more than 100,000 tons over 1946 and accounted for 3% of the total U. S. supply. Shipments from Canada represented 76% of the U. S. total, compared with 78% in 1946. Shipments from United States and Newfoundland mills provided 17% and 4% respectively of the total, compared with 17% and 5% in 1946.

* * *

B. C. Plans Take Shape For Perpetual Yield Timber

The British Columbia Government's plan for forest management and perpetual yield timber growth is reported taking shape. Almost 70 applications for management licenses have been received covering lumbering companies, pulp mills and small operators. One management scheme for the cellulose plant at Port Edward is nearing completion. This application covers the watershed around the lower reaches of the Skeena River. Others are said nearing completion.

Before management licenses are given a careful check is made on titles of land in the proposed management area. Land deemed more suitable for agriculture is excluded, and the requirements of other lumber interests are also considered. After the initial screening the applicant for a license is authorized to advertise for the right to the forest growth in the area. Before final authority and license is given the claims of other parties, if any, are considered.

White Motor Co. Planning New Buildings in the West

MONTREAL (Staff) — A widening of its sales organization and branch operations together with a substantial increase in the Canadian content in its trucks are features of White Motor Co. of Can. 1948 program, President L. M. Hart tells The Financial Post. Plans are well advanced for new branch buildings at Vancouver and Winnipeg, a new branch at Hamilton; also additional dealer appointments. White's postwar program started with the construction of a $2.5 million bus and truck manufacturing plant in Montreal in 1945-46.

Despite difficulties in obtaining materials, Canadian materials and labor used in the production of White trucks have increased continuously, it is stated. Production is now in full swing and all machinery which could not be procured in Canada was installed before the recent import restrictions were put into effect.

White has for some time surpassed the Canadian content figure (40%). A further reduction in U. S. imports is expected by the production of running gear and attaching parts from Canadian raw materials. White intends to manufacture such parts in sufficient quantity to enable it ultimately to export to the American parent company. Purpose, of course, will be to provide U. S. dollars for other parts which cannot be produced economically in Canada. The company may sell complete trucks to its American company for export. Such a transaction, while not immediately foreseen, holds out possibilities should the present government emergency program require further conservation measures, Mr. Hart states.

Up to the present there have been only two sizeable Canadian producers of trucks with greater than four-ton capacity. A continuation of the present ban on the importation of heavy trucks should result in increased Canadian production. Even if the ban is maintained there is sufficient productive capacity in Canada to supply the heavy truck market. White, for example, with a Canadian investment of nearly $6 millions, would be in a position to supply 4,000 trucks a year itself, if required.

Mr. Hart points out that any increase in the output of Canadian-made trucks will result in a higher Canadian content per truck. Certain manufacturing equipment which at present production levels would be uneconomical to operate could pay for itself if greater production were assured.

Present plans of the White Motor Co. do not visualize any cutback in sales or production this year. It is rather the reverse, according to Mr. Hart. A steady improvement in the flow of raw materials to the production line has been noted which will result in increased output of trucks. Production of buses in the new plant is also scheduled for 1948.

Europe Relief Agency Orders Blankets Here

"CARE" Buys in Canada With U. S. Dollars, Said Likely to Repeat

Canada this week made what is understood to have been its first bulk sale of manufactured goods to "CARE"—two-year-old private enterprise, nonprofit successor to UNRRA and which, The Post is told, has not previously bought in quantity outside the United States. CARE is the Cooperative for American Remittances to Europe, with headquarters in New York, 26 main warehouses and hundreds of distribution points abroad, a standing guarantee to deliver $10 boxes of food or clothing tax-and duty-free to particular consignees almost anywhere in war-ravaged Europe, and a buying program running into millions of U. S. dollars a year.

"We are anxious to reciprocate for the orders we have received from Canada by purchasing as much as can be supplied," said M. C. Harris, CARE's chief procurement officer. He indicated his organization is now negotiating in Canada for further purchases.

The first Canadian order: 50,000 wool blankets, believed forerunner of even larger orders from the same source for a wide variety of Canadian goods, and apparently indicating a prospect of substantial U. S. dollar earnings for Canada.

The agent: Technical Enterprises Co., one of Canada's newest export-import trading agencies, with headquarters in Toronto and a branch recently opened at Washington.

The manufacturer: Fairfield & Sons Ltd., Winnipeg, one of the Dominion's leading blanket makers.

Headed by American

Technical Enterprises is a private company organized and owned by an American, a Canadian, a British-Canadian, all air force officer veterans of World War I. Soon to be incorporated after about ten months of preliminary organization in Canada and abroad, it reports agency agreements with several Canadian manufacturers and several other such arrangements pending.

Heading the new enterprise are Charles Alexander DaCosta, the American, as president and general manager; E. K. G. Burden of Toronto, the Canadian, as vice-president; A. H. McCallum as secretary-treasurer. Burden and McCallum are ex-R.C.A.F.

DaCosta, Philadelphia born, New England raised and in his early forties, is a Massachusetts Institute of Technology aeronautical engineer who came to Canada and Ottawa for a year and a half at the beginning of the last war as technical representative of certain U. S. munitions makers and at the disposal of the Canadian Government to advise on procurement and production of explosives and aircraft. With Pearl Harbor and U. S. entry into the war, he joined the U. S. Army Air Force, flew in combat command mainly in the East, where he won the DFC, and is now on the reserve strength of the USAAF with the rank of colonel.

Technical Enterprises reports negotiations under way in several South American countries, among others, and hopes to buy and sell there in volume and with substantial net gain for Canada in U. S. dollars. Its policy includes careful preparation of ground, plus aggressive selling; as its most promising aids it can count not only on the new war-won prestige of made-in-Canada goods but apparently also on some favorable U. S. and British connections.

The company aims to "trade with profit, open or develop foreign markets for a wide range of Canadian manufactures and commodities and, in the process, help solve Canada's acute balance of payments problem," Col. DaCosta tells The Post.

Prospectors' Group Plans Quiz Program

The 1948 convention of the Prospectors and Developers Association plans to conduct two quizzes, one an ore I. Q. and the other a grade I. Q., The Financial Post is informed. A prize of $50 is to be given to the member naming the specimen, the area and mine origin of the ore sample. A $10 prize is being offered to person estimating value of four rich ore samples, one containing gold, one silver, one copper and one lead.

LOUVICOURT GOLDFIELD CORP. has received payment for Jan. 17 underwriting of $200,000 for 111,111 shares at $1.80 a share. Issued capital—3,388,889 shares.

Prospectors Gather In Toronto March 8

The 16th annual meeting and convention of Prospectors and Developers Association will be held in the Royal York Hotel, Toronto, March 8 to 10, inclusive. Details of the program are expected to be completed and made known within a few days.

The luncheon will be held on the first day of the convention and the main banquet and dance on the final night. The third anniversary of National Mining Day will be marked on March 10.

Here's How Quebec Hopes To Solve Housing Shortage

MONTREAL (Staff) — Quebec lawmakers will dig their teeth into some important legislation during the present session of the Quebec Legislature if the bills on the agenda paper are any indication.

Most important, from both a political and an economic standpoint probably are the proposed measures to ease the housing crisis in the province.

Another bill will extend the time limit for the Quebec Government to negotiate with Ottawa on a tax agreement.

Also included in the government's legislative program is a bill to provide for establishment of pension funds for Quebec-incorporated companies.

Loans From Industry

It appears that the proposed housing measures are aimed to help prospective homeowners in two ways: (a) by financial assistance from employers; (b) by municipal assistance. Some of the general provisions under (a) are:

1—A company may adopt a housing plan under company by-laws.

2—Company may make loans to employees to erect new housing, purchase a house, make improvements or pay off a mortgage. Rate of interest must not exceed 4%. Loans will be personal to employees and may be repaid before maturity.

3—The company may require that the loan be immediately payable if the employee loses his house either through forced expropriation or voluntary sale without authorization of the company or if the employee ceases to work for the company.

4—Company is permitted to establish, maintain and pay into a fund to provide small salary earners with suitable tenements through rent allowances, part payment of their rent or similar method. Such fund may be provided by agreement with any government, government agency, private or public corporation, builder, etc.

Municipalities to Help

Quebec municipalities would also be permitted to help out in the matter of new housing under the proposed bill. Following are some of the methods outlined in the bill:

1—A municipality may dispose of its lot at $1 per lot to: (a) any co-operative building syndicate; (b) any individual who agrees to build dwellings within eight months. Provision is made for the municipality to extend the time limit by six months and the court may grant a further delay if necessary.

2—A municipality which does not own lots for sale may expropriate by mutual agreement waste land or slum areas. Such lots may also be sold for $1. In the case of slum lands, a municipality may recover the whole or part of the cost price through re-sale.

3—A municipality may reduce taxes by 50% for a period of 25 years.

4—Valuation of a new building replacing a slum dwelling may be reduced to the value of the slum unit. When the new building comprises more units than the one it replaces, valuation on the supplementary units may be 50% of the real value. An alternative basis of valuation may be a uniform 50% of the real value of the new building.

5—A municipality may construct sewers, watermains, street works, etc., at its own expense; may also provide the architect's plans for the individual house.

6—Municipal bylaws may be changed to fit in with the provisions of the new housing law.

7—New dwellings covered by the proposed law are to be those built between Jan. 15, 1948 and Jan. 15, 1953.

Would Delay Tax Dicker

In addition to the housing measures the Quebec Government is also asking for an extension of time in which to negotiate a tax pact with Ottawa. Under legislation passed last year the Quebec Government was given until March 31, 1948, to enter into such an agreement. The new measure asks for an extension to May 30, 1949. This is significant since it is widely considered likely that the Duplessis government will call an election prior to the new expiry date.

A third important item on the legislative agenda provides for employee pension funds. Under this bill, company contribution to the fund must be at least double that of the employees. Any employee may refrain from participating. A committee to administer the fund would be composed of three members, one representing the company, one the employees and a third to be chosen by these two. The superintendent of insurance would have general supervision of the funds, their administration and of the committee.

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How LIFO Affects Inventory Profits

Steadily Rising Prices of Past Year Focus Attention on Major Problem — Clause in Income Tax Bill May Permit LIFO Adoption

How much of 1947's profit is inventory profit — and so is non-recurring?

That's a burning question which is worrying investors and executives after watching prices mount during the year.

It will be reflected, too, in the final tax payments the companies make to the Dominion Government for the year.

Most businessmen feel that taxes should be payable only on actual and realized profits. Under the present system, most also pay on income which is the result of paying more for goods and raw materials near the end of the year than they were paying earlier in the year.

Accountants are by no means unanimous on the question, but the LIFO (last-in, first-out) method of valuing inventories is a live topic of current discussion.

While not officially recognized for income tax purposes by the Department of National Revenue, some consideration is being given to its use, The Financial Post is told.

Under Section 14 of the new Income Tax Bill, an inventory may be valued for tax purposes at cost or market, whichever is lower, "or in such other manner as may be permitted by regulation." This opens the way for the recognition under the Income Tax Act of an alternative system of valuing inventories, e.g., the LIFO method. This indication of a relaxation of the old strict rule of the lower of cost or market is considered hopeful.

What is the LIFO method?

LIFO is a method of valuing inventory at cost for the purpose of matching current cost against current revenues. It is said not a device for minimizing, equalizing, evading or avoiding taxes. Its object is to determine realized distributable income. This in turn means that taxes will be paid on and dividends distributed from realized income only.

If the last-in, first-out method were adopted at the time an enterprise began to operate, the physical inventory, needed to make the operation of the plant possible before any finished goods could be produced, would be carried at the same dollar value during the entire life of the firm, i.e., its original cost. It would, of course, have been continually replaced. Its dollar value might be either higher or lower than the current market. But, LIFO advocates argue, the costs being allocated to the sales made today are the costs of the material purchased today.

If the LIFO method is adopted subsequent to starting the business, its physical inventory would be carried from then on at its cost for the year LIFO was adopted, unless reduced by write-downs.

What about timing of the adoption of the LIFO method?

If prices are close to their peak when it is adopted, the book value of the inventory will be above the market most of the time, unless a firm writes down its value. If prices are very low when a firm starts this method, then its inventory will be at a very conservative figure on its books for its life. Most businessmen would not mind carrying this inventory at a low figure but would object to having their inventory valued much above the then current market at any year end.

Theoretically the time of adoption should not matter, its advocates argue. They regard inventory under the LIFO method as an item which must be maintained and cannot be sold and so say there should be no more objection to carrying this item at original cost than there is to carrying buildings, machinery and other fixed assets at original cost.

What is the true purpose of valuing any inventory?

It is to properly match costs against revenue and so arrive at a "true" profit. Its effect is shown by the following illustration:

A company using copper as a raw material has one million pounds in inventory at Jan. 1, 1947, at the controlled price of 11½c a pound or a total of $115,000. This is about the amount of stock it must keep on hand from year to year to do business.

During the year the company buys five million pounds of copper and sells the same amount in its products. If it makes a net manufacturing profit before taxes equivalent to 2c a pound, its profit would be $100,000 under the LIFO method.

Under the lower cost or market method of valuing inventories, there would be in addition an inventory profit of $100,000, since the one million pounds of copper inventory at the year end would be valued at the current price of 21½c a lb., or $215,000, against Jan. 1, 1947, inventory total of $115,000. This dollar value is, however, tied up in the same physical volume of inventory. If prices drop, the situation is reversed and an inventory loss would occur.

Is the LIFO method suitable for all industries?

It is said particularly suitable for those industries whose operation represents more or less a continuous pipeline — whose physical inventory may almost be regarded in the same way as a fixed asset.

Maurice E. Peloubet, a widely-known U. S. accountant, pointed out that the LIFO method may be used in any enterprise where:

(1) Heavy inventories of raw materials must be carried, say requirements for three to six months or more;

(2) Where the raw material is substantially homogeneous and interchangeable; for instance, leather, cotton, copper or crude oil;

(3) Where the price is subject to fluctuations, and

(4) Where the price of the finished product represents, to a large extent, the cost of the material contained in the product.

Typical industries to which it is said particularly applicable are the tanning of leather, manufacture of petroleum products, the manufacture of steel and nonferrous metals and for most textile operations.

The LIFO method is an established and well-tried method in the United States both for corporate and tax purposes, having been used for the latter for some industries since 1939. Just this month the U. S. Bureau of Internal Revenue proposed to permit the use of the LIFO method in U. S. department store inventory valuations.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

ROBINSON COTTON MILLS net profit for the year ended Dec. 18, 1947, was up 27%. Since the inauguration of subsidy, the company, by agreement with Commodity Prices Stabilization Corp., has been subject to profit limitation. The relative agreement with C.P.S.C. terminates on Feb. 27 next after that date, the company shall be subject only to the regulations common to all other corporations.

To date, $752,463 has been expended on the new mill at Woodbridge. The buildings were fully completed and occupied early in the year. At present machinery installation is proceeding satisfactorily, and it is anticipated that the company shall be in producton within the next few months, it is stated.

"While it is difficult to forecast conditions in the cotton industry during 1948, we are confident that results will be satisfactory," President W. Robinson states.

INCOME ACCOUNT

Years Ended Dec. 18:	1947	1946
Net earnings	$565,959	$444,796
Less: Depr.	78,741	48,790
Bond int.	30,025	19,101
Inc. taxes	169,922	150,762
Net profit	287,271	236,143
Less: Divds.	60,000	45,000
Surplus for year	227,271	181,143
Earnings per Share and Dividend Record:		
Earned	[illegible]	$1.51
Paid	0.40	0.30

CONDENSED BALANCE SHEET

As at Dec. 18:	1947	1946
Cash	63,435	$572,386
Accts., etc., rec.	287,410	313,272
Life ins., c.s.v.	46,352	42,979
Inventories	1,895,065	1,198,684
Total curr. assets	[illegible]	2,127,321
Prep. exp.‡	7,156	6,839
Ref. EPT	1,083	1,083
Fixed assets*	2,121,252	819,837
Total assets	4,363,753	2,955,080
Bank loan	422,507	......
Accts., tax., etc., pay.	243,845	197,025
Ser. bond due	50,000	50,000
Total curr. liabs.	716,352	247,025
Depr. res.	762,075	......
Funded debt	900,000	950,000
Capital stock	292,000	292,000
Surplus‡	1,693,326	1,466,055
*After depr. of	......	691,582
‡Incl. ref. EPT	1,083	1,083
‡Incl. in curr. assets in co's. report.		
Working capital	1,517,910	1,880,296

CATELLI FOOD PRODUCTS net profit for the year ended Nov. 29, 1947, was up 78.3%. Inventories are higher than a year ago, due to higher cost of raw materials. "In order to reduce the cost of operations, we made during the year substantial expenditures on plant modernization," President Paul Bienvenu states. "We plan to invest another $250,000 in that direction during the next two years. For that reason, the directors feel that a strong liquid position must be maintained."

Wheat plays such an important part in the macaroni business that the world wheat shortage makes it difficult to foresee the outcome of 1948 operations, it was said.

INCOME ACCOUNT

Years Ended:	Nov. 29 1947	Nov. 30 1946
Total net income	$780,980	$613,165
Less: Deprec.	58,440	145,257
Nonoper. exps.	20,976	22,714
Pension fund	12,500	......
Taxes*	343,327	250,243
Net profit†	347,737	194,951
Less: Pref. divds.	28,781	28,781
Common divds.	57,377	43,607
Surplus for year	261,579	122,563
*Incl. ref. EPT	......	5,319

†Note: Co's report includes ref. EPT in net profit and surplus for year.

Earnings per Share and Dividend Record:		
Pref.: Excl. ref. EPT	$9.06	$5.08
Incl. ref. EPT	9.06	5.22
Paid	0.75	0.75
Com.: Excl. ref. EPT	6.95	3.62
Incl. ref. EPT	6.95	3.74
Paid	0.80+0.45	0.70+0.25

CONDENSED BALANCE SHEET

As at:	Nov. 29 1947	Nov. 30 1946
Cash & mkt. secs.	$270,145	$223,858
Call loan	......	50,000
Accts. rec.	548,559	398,111
Life ins., c.s.v.	11,050	10,050
Inventories	587,393	425,234
Total curr. assets	1,417,147	1,107,253
Mortgage rec.	54,000	61,000
Def. charges‡	50,812	54,15[illegible]
Fixed assets*	862,164	766,37[illegible]
Total assets	2,384,123	1,988,77[illegible]
Accts. & tax. pay.	500,896	356,67[illegible]
Other curr. liab.	......	11,47[illegible]
Total curr. liab.	500,896	368,15[illegible]
Reserves	212,500	100,00[illegible]
Capital stock	1,034,630	1,034,6[illegible]
Capital surplus	25,370	25,37[illegible]
Distrib. surplus	80,764	80,7[illegible]
Surplus‡	‡529,933	379,8[illegible]
*After depr. of	1,131,557	1,104,8[illegible]
‡Incl. ref. EPT	17,406	18,0[illegible]
‡After deducting $112,500 approx. for pension fund.		
Working capital	916,251	739,101

APPRAISALS
VALUATIONS

Let our Engineers and Experts establish the new, replacement and depreciated values of your plant and equipment.

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Montreal MA. 3777 Toronto AD. 8842 Hamilton 2-4173

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Peace of mind depends largely on planning what you can save and saving what you plan. That's "budgeting." Open a Canada Permanent savings account. Regular deposits should be part of your plan. 2% paid on savings. Withdrawals by cheque.

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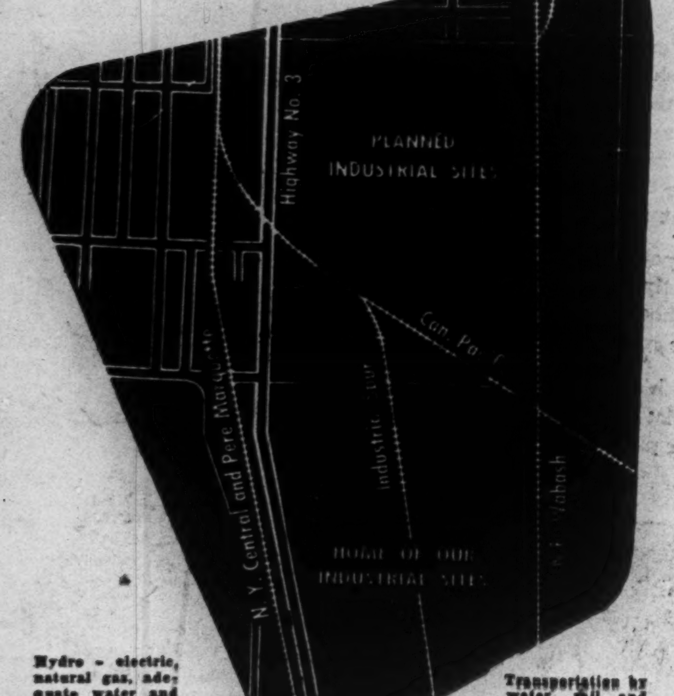
Planned
INDUSTRIAL SITES
In ST. THOMAS



Hydro - electric, natural gas, adequate water and sewage — short hauls to large markets.

Transportation by water, rail and highway — raw materials conveniently available.

These sites are tailored to fit your needs. Whether your plant calls for a small piece of property or a large acreage, the same necessary facilities are available.

St. Thomas invites you to personally inspect these ideal industrial locations situated in a progressive and co-operative community.

Your success is our success — let us plan for it together.

Please direct further inquiries to
W. H. A. SPARLING — *Secretary*
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ONTARIO HOLIDAY
Scrapbook

FAMED, as a happy holiday hunting ground, for more than Canada's Capital, the Ottawa Valley offers a choice of things to do and places to see to delight any vagabond vacationist. You will be sure of gorgeous scenery, excellent fishing and pleasant accommodation—a thoroughly complete Ontario Holiday. For routes and accommodation details write to Ontario Holiday, Room 1004, Victory Building, Toronto.

LET'S MAKE THEM WANT TO COME BACK

Let's see they get the best we have to offer. Everyone benefits from the income tourist business brings to Ontario. So it's in your interest to encourage your friends from other parts to share our Ontario Holidays.

TOURIST BUSINESS IS GOOD BUSINESS

PUBLISHED IN THE PUBLIC INTEREST BY JOHN LABATT LIMITED

Leading auto makers switch to new kind of tire

Call Super-Cushion by Goodyear greatest tire advance in 15 years

Bigger, softer tire runs on only 24 pounds of air . . . gives incredibly smoother ride, amazing new comfort, safety and mileage.

EVERY day more and more new 1948 cars are rolling off the production lines equipped with a new *kind* of tire.

Auto engineers who tested this new tire . . . the Super-Cushion by Goodyear . . . said: "We want this tire for our new cars . . . *now!*" Here's why:

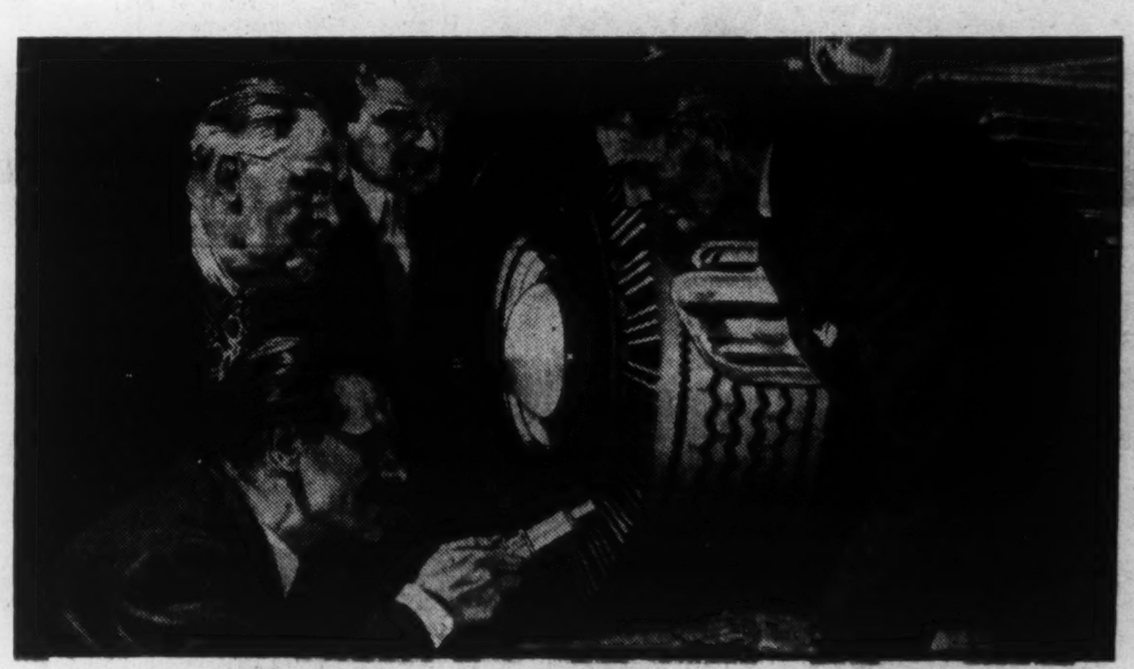
First tire to lick lateral shock

After the tests these engineers were openly excited. "It really absorbs lateral shock," they said. "No tire ever did it satisfactorily before!"

Springs and conventional tires absorb up-and-down shock. But until Goodyear produced the Super-Cushion, lateral (crosswise) shock was one of the few things yet to be licked in the modern motor car. Pillowy Super-Cushions soak up crosswise jolts.

To you, the motorist, this means a sensationally new luxury ride . . . far less fatigue . . . less wear and tear on your car from engine to body bolts.

Super-Cushions blot out shocks, help prevent rattles, *lengthen the life of your car.*



• *The Super-Cushion is an altogether new KIND of tire.* Leading car makers found it made an astonishing improvement in motor car operation. Then they said: "We want this tire for our new cars—now"! In 1948 Super-Cushions will be standard equipment on a large share of Canada's best-known automobiles.

An incredibly softer ride— easier, safer car handling

The Super-Cushion is a *bigger, softer* tire. It holds more air, but runs on *only 24 pounds* of air pressure . . . instead of the usual 28 to 32. It gives a *softer* ride, an unbelievably *smoother* ride . . . not only on bad roads but even on good roads.

Super-Cushions bring you indescribable new ease and security. Your car hugs the road better . . . seems to *float* through traffic. On a small car Super-Cushions give you the ride and feeling of security you get in a big car . . . they make big cars ride even better.

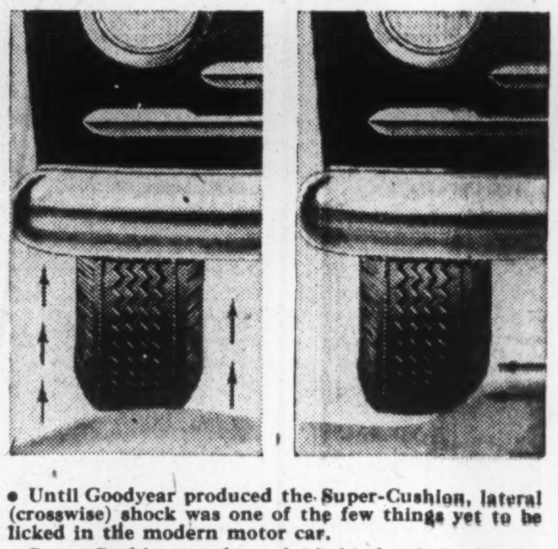
Super-Cushions are safer— give more mileage

Super-cushions literally *flow* along the road. You get safer steering, easier handling . . . especially on curves. Since they're softer, they "roll with the punch," are harder to cut or bruise, *have extra blowout resistance.*

Super-Cushions run cooler, build up less pressure, *give greater mileage than the finest standard tires.*

Super-Cushions on new cars

Your new car may have Super-Cushions. If so you are already enjoying an incredibly finer ride. If you have yet to order your new car take a tip . . . insist on Super-Cushions . . . a new *kind* of tire for a new *kind* of ride.



• Until Goodyear produced the Super-Cushion, lateral (crosswise) shock was one of the few things yet to be licked in the modern motor car.

Super-Cushions soak up both kinds of shock, give an unbelievably smoother ride, better car handling, cut wear and tear on your car!

Super-Cushion Tires are BIGGER!

Conventional Size		Super-Cushion Size
5.50	replaced by	6.40
6.00	replaced by	6.70
6.25	replaced by	7.10
6.50	replaced by	7.60
7.00	replaced by	8.20
7.50	replaced by	8.90

• Super-Cushions run on only 24 pounds of air as against 28 to 32 pounds in most tires.

The new Super-Cushion by GOODYEAR

ALMOST LIKE FLOATING

MORE PEOPLE RIDE ON GOODYEAR TIRES THAN ON ANY OTHER KIND

WHAT'S NEW IN BUSINESS

Manufacturers of products that are either completely new or are being made in Canada for the first time are invited to contribute to this column. Describe the product, state its purpose, outline in what respects it is new, and indicate its significance to its field.

Water Heater

Electric storage water heater is designed to meet space-saving requirements of small modern homes and apartments. This table-top model is 36 inches high and rectangular in shape; is completely encased in a steel jacket and finished in baked white enamel; recessed at bottom to fit over baseboard and snug against the wall. U. S.-made heater holds 30 gallons, at a thermostat-controlled temperature.

• • •

Parking Signal

California firm is making an electric curb signal which claims to prevent marring of fenders and white wall tires. Two 4½-inch coils are mounted on the bottom edges of front and rear fenders. When the signal coil touches the curb, an electric buzzer warns driver there are only 4½ inches of parking clearance left.

• • •

Tire Sucks Road

Newly-developed tire tread, "Polar Grip" is said to make for safer driving on icy or wet pavements. Thousands of small particles are molded into the rubber. Exposed by tire wear, particles fall out, leaving tiny suction cups in the tire. These cups grip slippery surfaces. The new tread, which can be applied to any worn passenger tire is available in two designs—one for city and suburban driving and the other for cars operating on unimproved roads where snow or mud are heavy.

• • •

Work-trimming Mower

Lawnmower reduces extra trimming by cutting within one inch of walls, trees or fences. U. S. maker says this 20-pound machine has no heavy wheels or extra metal trim; is driven by rear differential rubber-treaded rollers; features a silent transmission clutch which eliminates all clutch noise. Hood avoids damage to flowers or low-hanging shrubs.

• • •

Air Conditioner

Packaged air conditioner occupies about half the floor space of an ordinary office desk; is especially designed for stores, restaurants, and business houses. These self-contained conditioners may be used in multiple to air condition an entire building, a series of floors, a single floor or any large area. Single unit will serve several office rooms, a department, or smaller sections of a floor. Conditioner can be used from a remote position by employing a simple duct system.

• • •

Disposable Mousetrap

"Mouse-O-Leum" solves problems of those who are squeamish about disposing of trapped mice. Both mouse and this Ohio-made mousetrap are thrown away together. Trap is a simple cardboard box with a trick door. Mouse is lured inside and poisoned.

• • •

Crane Cab

Crane cab built of Plexiglas gives operator full view of the floor area covered by the crane. Pipe-like control levers in front of the operator are designed to present a minimum obstruction to view. As a safety measure, cab's doors won't open unless the main line switch is in the "off" position. Milwaukee maker says cabs will be available next August.

• • •

Scented Fingernails

Manhattan cosmetic house claims first nail polish to be perfume-scented. The product now getting its first advertising in the United States, comes in all shades and retails for 60c there. Scent lasts 24 hours after application.

• • •

Auto Fuel

Automobile fuel system demonstrated by an oil company in the United States uses both high- and low-octane gasoline. Auto has two tanks, pumps, and carburetors; automatically switching from one to the other according to driving conditions. High-octane gas is supplied for starting and accelerating, low-octane for steady driving. Company says auto requires high-octane gas only 20% of time under normal driving conditions.

• • •

Developing Unit

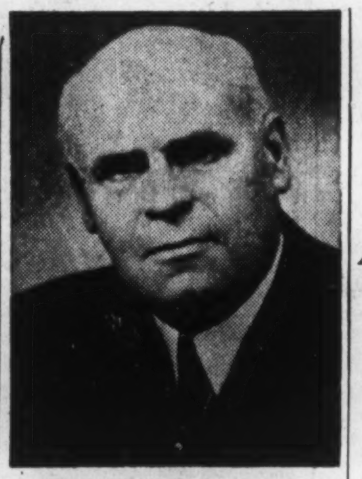
Motor-driven developing unit for 35-mm roll film accommodates rolls up to 100 feet long, combining economical developing with ease of operation. U. S. maker says this compact equipment, ideal for use where normal darkroom facilities are limited, has applications in medical, industrial, marine, aviation, military, and general photographic fields.

• • •

Steam Hose

Braiding of glass cords with unique machine is part of U. S. process for making a hose capable of conducting saturated steam under high pressure. Glass cords go between inner and outer layers of rubber, producing a hose which claims to increase efficiency of many industrial operations and at the same time provide greater safety for operators.

• • •



B. S. VANSTONE

has been appointed vice-president of the Bank of Toronto.

Brake Control

"Rol Control" prevents autos from rolling forward or backward when stopped on grades; from "creeping" when on the level; and from rolling off a jack when a tire is being changed. This U. S.-made device operates on the auto's regular hydraulic system and can be used on any make of car or light truck with hydraulic brakes; does not interfere with the normal braking operation of the car.

• • •

Drill Press

Bench and floor models of Indiana-made precision drill press, both having a capacity to drill one-half in iron or steel at the centre of a 14-inch circle, claims to be original design. Features include quick-acting belt tension release lever which simplifies changing of spindle speeds, built-in light with independent switch, sealed ball bearings, and adjustment to compensate for quill wear.

• • •

One-coat Paint

"Vita-Cal" wall paint claims to prime, seal, and finish in one application. New Jersey maker says product is entirely new kind of flat oil paint; hides solidly over plaster, wallboard, wallpaper, calcimine, and many other surfaces; said to be long-lasting and washable.

• • •

Industrial Motors

Milwaukee firm is building a line of totally-enclosed, fan-cooled wound-rotor motors with a tube-type air-to-air heat exchanger. This exchanger, first used for squirrel cage motors, permits reduction in size, compared with older totally-enclosed fan-cooled designs. Motors are readily adaptable to suit requirements of any special industry.

• • •

Automatic Pilot

Automatic pilot now in experimental stage is half the size of equipment now used, unaffected by rapid manoeuvres or high rates of acceleration; reacts to human pilot's signal or to unwanted motions of the plane in one tenth of a second flashing its message to control mechanism while such motion is just beginning to take effect. U. S. maker says this 35-pound instrument is expected to be applicable to light commercial and private planes, as well as military aircraft.

• • •

Foolproof Sharpener

Electrically-driven knife sharpener for home use has stainless steel guides which automatically pre-position cutting edges against sharpening wheel. Silent motor of this U. S. product operates on alternating current only; 60 cycles, 105-120 volts.

Dominion Life Appoints Officers

K. S. RABB, Assistant Treasurer — R. G. PAUL, Assistant Secretary — A. A. MORISON, Sales Promotion Manager

The Dominion Life Assurance Company of Waterloo has announced the appointment of three new Company Officers. K. S. Rabb, formerly Manager of the Mortgage Department, has been appointed Assistant Treasurer and will continue to administer the Company's Mortgage Investments. R. G. Paul, who has been serving as the Company's Field Auditor, has been made Assistant Secretary. A. A. Morison, who has been in charge of Field Service and Advertising, has received the new title of Sales Promotion Manager and will continue to direct the Company's Advertising and sales promotional activities. These appointments were made at a Meeting of the Board of Directors in Waterloo, on Friday, December 19th.

PHOTO ENGRAVERS & ELECTROTYPERS LIMITED

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"WHAT! Ads in the Reader's Digest!"

"THE READER'S DIGEST has a way of inspiring devotion that borders on fanaticism," said a New York magazine. Granted the exaggeration, it is probable that some Canadian readers will react strongly to the spectacle of advertising in The Reader's Digest next month.

How many will get off indignant letters? How many will cancel subscriptions? Not many.

When The Reader's Digest first accepted advertising in Australia in 1946 there were about 100 cancellations, in a circulation of 100,000. Shortly thereafter circulation began to climb, until it reached the 1947 total of 150,000.

Before publishing advertising in Canada, The Reader's Digest asked 1156 readers: "*Would you rather see the Digest increase its rate from $3 to $4 a year (25¢ to 35¢ a copy); or accept a limited amount of advertising and keep the old price?*" 81.4% favored accepting advertising; 18.6% favored a price increase.

All past experience suggests that dissenters will soon come to like the advertising pages in their favorite magazine. The neat, page-size messages about new things will tempt frequent reading. The Reader's Digest will be more stimulating, more entertaining than ever.

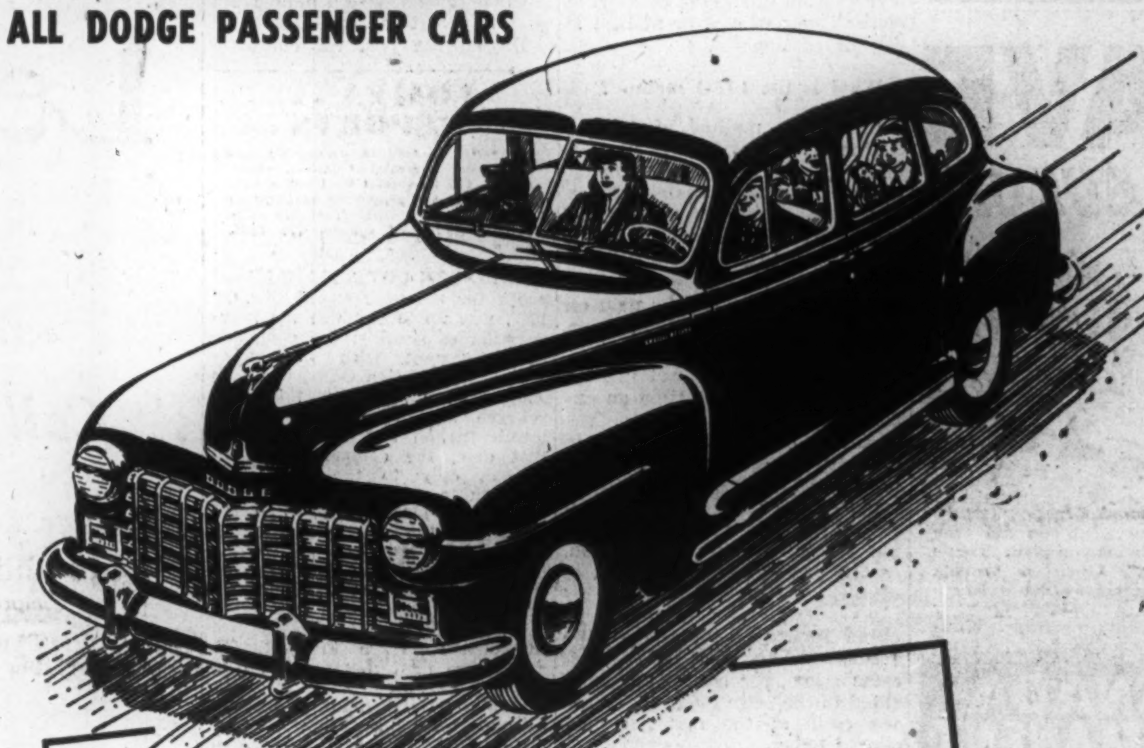
And the income from advertising, besides helping to meet mounting costs of publishing, will enable The Reader's Digest to carry out plans for a still bigger and still more varied editorial content—still at the price-per-copy established "2 depressions ago"!

Combined Circulation of The Reader's Digest and Sélection du Reader's Digest: 600,000 guaranteed net paid. *Page Rate* as low as $3.66 per thousand. *Production Allowance* for 1948 insertions.

For further information, apply to The Reader's Digest Association (Canada) Ltd. David B. Crombie; 58 Wellington St. East, Toronto. T. L. Ashton, 414 St. James St. West, Montreal.

Another DODGE *Extra:*

SUPER CUSHION TIRES NOW STANDARD EQUIPMENT ON ALL DODGE PASSENGER CARS

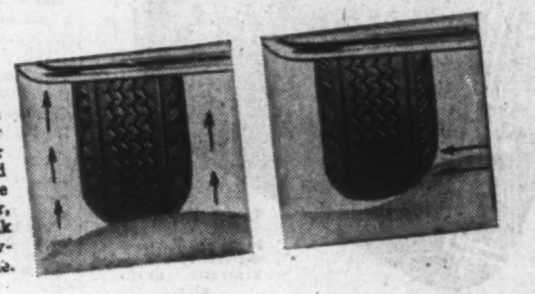


DODGE SAFETY-RIM WHEELS WITH SUPER CUSHION TIRES GIVE YOU ADDED SAFETY AND A SMOOTHER RIDE

DODGE again adds a luxury car "extra" to all its passenger cars — unique, new-design Super Cushion tires to assure you greater comfort and safety. Combined with the new, wider Dodge "Safety-Rim" wheels, these bigger tires set a new standard of safety. They run cooler which lessens the chance of a blowout. Should a blowout occur, the deflated tire stays on the "Safety-Rim" wheel — even at high speed — allowing safe, straight stops.

Super Cushion tires use only 24 pounds *air pressure* yet they carry 26% more *air volume*, which greatly reduces road vibration. They cushion the car against crosswise shocks — the softer tires taking the jars when they hit ruts, stones or rough pavement.

This newest "Extra" joins such other outstanding Dodge extra features as: "Safety-Rim" wheels; Full Floating Ride; 6-cylinder brakes; an oil filter; four rings per piston; All-Fluid Drive on Custom models.



• Dodge engineers have done wonders to cushion cars against up and down shocks. *(left)*. Lateral, or crosswise, shock had never been satisfactorily absorbed until Super-Cushions were produced. These bigger, more cushioned tires soak up lateral shock *(right)* giving a smoother, steadier ride.

The Big, Roomy DODGE GIVES YOU MORE *"Extras"*

THERE'S NO SUBSTITUTE FOR TIME-TESTED DODGE ENGINEERING!

The Financial Post

Vol. XLII | Publication Office: Toronto, January 24, 1948 | No. 4

Will Havana Trade Talks Fail?

700 Amendments to ITO Charter Deadlocks 58-Nation Conference

By KENNETH R. WILSON

Weather reports from Havana, Cuba, read: warm and sunny, temperature, 75. But from inside the Capitol Building where delegates from 58 nations are trying to set up a charter for the International Trade Organization, the progress reports to Ottawa read: cloudy and cool.

The Havana meeting began late in November. It was to have finished its job last week. Instead, the life of the meeting was extended until early in February. The hope is that the deadlocks and disputes which have rent its deliberations asunder in the past 10 weeks, might be resolved.

Just last week, in response to an urgent SOS from the Canadian delegation, Ottawa sent John J. Deutsch of the Department of Finance scurrying southward. This was taken as confirmation of reports that the world talks are in trouble.

Differences are of such a major character that Ottawa is frankly talking of an alternative if the conference fails and on the effect of failure on the tariff and trade agreements reached at Geneva.

Most opinion in Ottawa seems to agree that if Havana does fail the idea of a world charter would be forgotten for the time being in favor of getting as wide acceptance as possible for the General Agreement on Trade and Tariffs.

700 Amendments Proposed

The main business before the Havana conference has been the proposed draft for an international trade charter as prepared at Geneva last year. The Geneva meeting was preparatory; only two score nations attended as a United Nations Committee.

This committee was charged with drafting a charter for submission to a general conference of the entire United Nation membership.

It is this general or "world" conference which is meeting at Havana. Russia is, of course, eligible to attend, but has sent no delegate. Canada's delegation is headed by Hon. Dana Wilgress, Canadian Minister to Switzerland.

Almost as soon as the Havana meeting began it faced a barrage of some 700 amendments to the proposed ITO charter. Chief protagonists were Latin American nations led by Argentina, and the Middle East or Arabian States. These countries, with other supporters, comprised in all between 20 and 40 nations representing the "undeveloped countries."

They split the conference in two. Other nations whose trade comprised possibly 80% or 90% of the world total, held that the proposed charter would be worthless if the proposed changes and exceptions were granted.

Curently the proposed amendments have been boiled down to a mere 405. Of these, 221 are still unsetled. Seventeen additional amendments have been resolved only in part.

All unsettled issues deal with three questions: economic development, commercial policy, and the organization of the ITO. More particularly, there are now six or seven major questions on which Havana is currently foundering. Whether there can be any solution between now and early February seems doubtful.

The main issues are:

1. The basic dispute over the use of import quotas and other quantitative restrictions.

The so-called undeveloped countries demand complete freedom to use quotas and restrictions for the protection of their "infant industry" without reference to any international trade authority.

At Geneva a compromise on this contentious point was reached. It took the form of an agreement that "temporary" restrictions might be imposed so long as they had the prior consent of the ITO

But at Havana the "rebels" will have none of this. They demand complete freedom—a line which is adamantly opposed by the United States in particular.

Speaking on this point in a decisive statement a few weeks ago, Clair Wilcox, acting chairman of the U. S. delegation, said:

"If quantative restrictions are to be fastened on the commerce of the world without let or hindrance, the restrictionism of the Fifties and Sixties will make the restrictionism of the Thirties look like absolute free trade. If this is to be the outcome of our negotiations here I say that all our hopes for expanding trade, raising the standard of living, promoting economic development and achieving world peace are doomed to failure."

Prior to this speech it had been rumored at Havana that the United States might be willing to make some concessions on this point. The firm stand taken by the U. S. delegation brought this central issue of the meeting clearly into the open. It established the belief that the Geneva "group" would not be willing to compromise; would rather let Havana fail than agree to a dish-water draft.

2. Prior approval of new preferential agreements.

The issue here is simply that at Geneva, agreement was reached that no new preferential tariff rates would be sanctioned. This is strongly opposed at Havana by nations which argue that this is a commercial weapon they need in order to achieve industrial development.

3. Composition of the Tariff Committee and its role in the ITO.

The point here is that under the Havana proposals, a very important Tariff Committee is to be established. This committee comprises the 23 nations which reached accord at Geneva on a new General Agreement on Trade and Tariffs. These new tariffs have already been put into effect by Canada, Britain, United States, Benelux, France, Australia and Cuba.

The so-called "undeveloped nations" at Havana, led by the Argentine, look on this Tariff Committee as an instrument for virtually blocking their demands. They are opposing its composition and its role in the ITO.

4. Establishment of an Economic Committee.

This is closely related to the above objection. It means that the nations who oppose the suggested Tariff Committee, want to have an equally potent group of their own in the form of a special Committee for Economic Development.

5. Relations with Nonmembers.

This is another form of the controversy over tariffs and the basis on which tariff reductions will be available to their countries. As originally proposed, the Tariff Committee is virtually the "club" and only members of the ITO who are willing to agree to the club rules would be permitted to enjoy the benefit of lower tariff rates, etc.

Other issues of relatively minor importance include an argument over the composition of the ITO executive board and a difference of view as to the extent to which recourse be allowed to the International Court of Justice from ITO decisions.

What If Havana Fails

Supposing the Havana Conference is a failure, what then happens to tariff and trade agreements reached at Geneva?

As already indicated, the work at Geneva consisted of two separate parts: (1) preparation of a draft ITO charter; (2) the reaching of a general agreement on trade and tariffs by some 23 nations.

These 23 nations signed this agreement on the understanding that it was to be submitted to the conference at Havana and was to be subsequently incorporated into the more general ITO charter.

Those who signed were given until June 30, 1948, to put it into provisional effect. To-date, this has been done by countries whose trade in 1938 represented over 80% of total world trade: Australia, Benelux (Belgium, Netherlands and and Luxembourg), Cuba, Canada, France, United Kingdom and United States.

If Havana fails (and there is apparently little disposition at Havana to compromise, since a "weak" charter would be worthless then presumably the "charter" members of the Tariff Club will meet again and reframe their agreement so that it will be open to anyone who wants to "pay its fees" and join.

In this case the larger world "charter" would be forgotten for the time being and an attempt made to get as wide acceptance as possible for the General Agreement on Trade and Tariffs.

Most opinion in Ottawa seems to agree that this is what is likely to happen. It seems also agreed that this would probably be the wisest course. In short, that there would be no purpose or meaning to an ITO charter diluted to the point of compromising the general approach taken at Geneva.

The main achievement of the past two years discussions, is the General Agreement on Trade and Tariffs. This was negotiated at Geneva and has already been accepted and put into effect by countries who do the bulk of the world's foreign trade. This, it is argued, is the solid ground on which a subsequent and wider charter might at some future date be built.

Base for Ottawa's Beauty Treatment

Shape of things to come in Canada's National Capital emerged recently with the first concrete recommendation for long-range consolidation of railway lines and industrial areas in the Ottawa-Hull territory.

Ever since national planning was first mooted around Ottawa at the turn of the century, it has been clear that little could or would be accomplished short of agreement on elimination of the spider-web of railway lines that criss-cross the capital. Until this was done, traffic bottlenecks and industrial planning allied headaches were barriers to progress.

Recently the National Capital Planning Committee chaired by Frederic Bronson (who is also chairman of the Federal District Commission) revealed a unanimous blueprint for long-range simplification of rail lines and removal of industrial areas to agreed sites adjacent to the new proposed lines.

In announcing the new proposals it was made clear that while the Federal Government has taken steps to expropriate necessary lands, there can be no further practical advancement in the scheme until the municipalities of Ottawa, Hull and adjoining municipalities pass "legally effective uniform zoning bylaws prohibiting the establishment of objectionable industries warehouses or similar works" and also agree to provide the new proposed areas with water, sewerage, electric services, etc.

Mayor Lewis of Ottawa at a recent roundtable conference admitted the ball was now in the hands of the municipalities but declared it was "not a ball but a very hot potato on a cold winter's day."

The map by The Financial Post shows location of present railway tracks and the proposed simplification and development areas.

What's Being Done About Colds?

Here's News About the Billion Dollar Plague of Sniffles

By RONALD WILLIAMS

What is the most costly plague in the U.S. and Canada today?

By all odds, the common cold.

Individually, to the millions sniffling and sneezing, a simple cold in the head is not much worse than an annoying inconvenience which would clear up in about five days.

But collectively, to the United States and Canada, to business and industry, colds are an annual $1 billion headache.

To Canada alone: $200 million in lost wages, lost production and the cost of treatment, not to mention the millions of days of personal discomfort.

This is the time of year when the economic headache throbs the worst. Last week, one in every seven in Canada and the United States had a "code id duh head." By the middle of February, the incidence would be up to one in every five (based on previous findings).

According to a Gallup Poll, nearly two-fifths of all American homes have somebody in them with a cold at this time of year.

No other single factor causes so much lost time, says the Metropolitan Life Insurance Co.'s monthly Statistical Bulletin.

What's worse, colds aren't something which just happen now and then like an epidemic, although they sometimes precede an outbreak of flu. The last time this happened was in 1942.

Colds and the economic loss they entail are regular and inevitable as the winters which are their chief breeding grounds.

Despite vastness of their collective cost, the common cold is a relatively mild ailment as it affects an individual.

Consequently it is not a reportable disease and therefore there are no absolutely reliable statistics for the country as a whole.

Here's What Colds Cost

However, on the basis of studies among special groups and through public opinion surveys, broad estimates of the dollar cost and other related factors have been arrived at.

Here are some of the findings:

The Industrial Division of the Health League of Canada estimates the average worker loses 9½ days a year due to sickness; women, 12 days.

Almost half of that loss is due to the common cold.

On the basis of 2 million workers in Canada's eight leading industries, that works out to the staggering total of 10 million man days lost a year.

By comparison, strikes cost 2.6 million man days in 1947 (est); industrial accidents, 5 million.

The cost in dollars and cents:

Wages lost: $70 millions (at 85c an hour).

Production loss: $105 annually (based on Associated Medical Service estimate of one and a half times the wage loss).

Treatment: About $40 million annually (based on Metropolitan Life estimate of $10 a year per family for drugs and doctors).

That brings the total Canadian bill up to well over $200 millions a year!

Who Catches Colds?

Here are some more cold facts and figures:

The average person has two colds a year . . . They last about five days.

Children under 12 catch more than any other age group. . . . People between 20-30 have less than anyone else.

People in low income groups catch slightly more than those better off.

By classes, farmers are more susceptible than other groups . . . People living in coastal areas have less than those away from the sea.

On any day this time of year, any Canadian city of 100,000 will have 2,000 down with colds. . . . In Toronto, as many as 20,000 may be sniffling.

The cost of this universal ailment to Canada and the United States, estimates the Metropolitan Life, is "well over a billion dollars a year."

Today there's more and more evidence that science is gradually getting somewhere in unlocking the centuries-old door to the cause and prevention of colds.

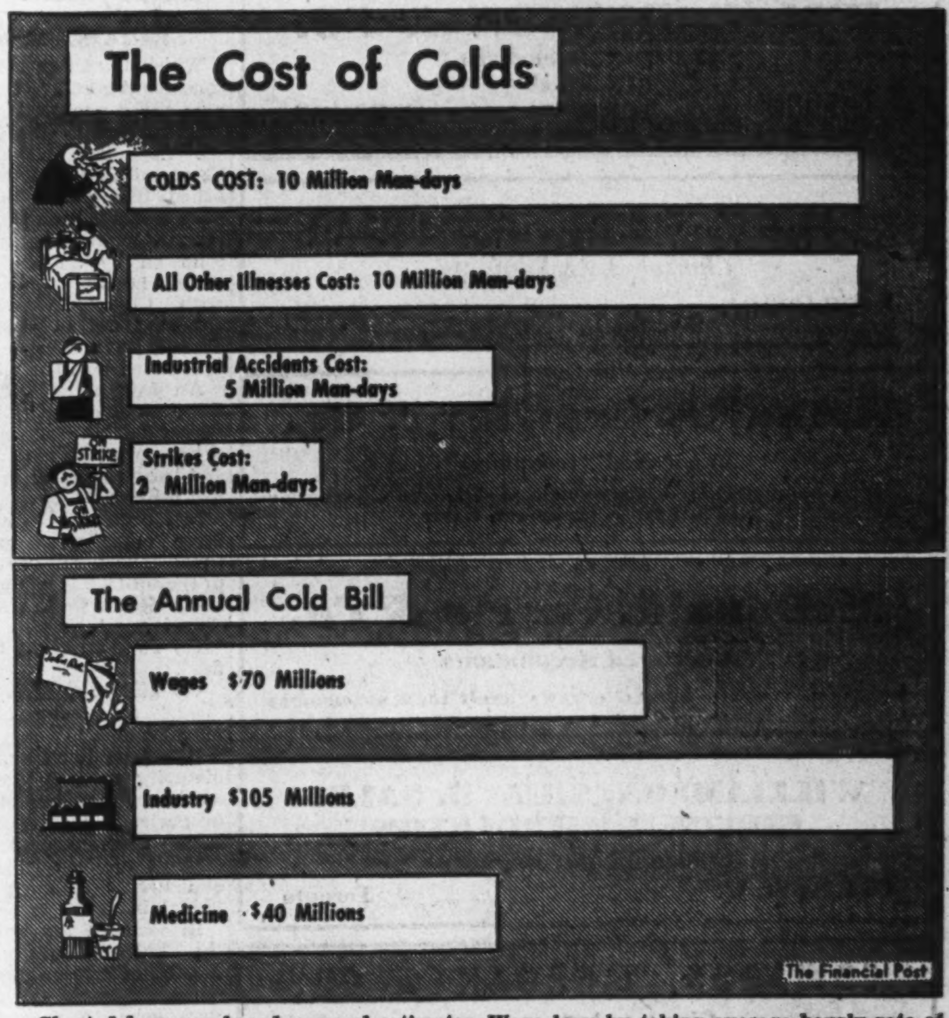
Science Makes Progress

In Washington, researchers believe they have isolated an agent which causes at least one type of cold.

This does not mean that a cure for colds is just around the corner. It was 1926 when an influenza virus (no connection with a cold virus) was isolated. Yet it took 20 years to develop a vaccine which helped people avoid the 'flu.

In the case of the common cold, the Washington discoveries represent the first major step in cold research. Scientists of the U. S. Public Health Service who isolated what they believe is a cold virus have produced colds in otherwise healthy persons with it.

Here's how it happened. With an appropriation of but $50,000 from Congress, two scientists, Drs. Norman H. Topping and Dr. Leon T. Atlas and 10 assistants, began experiments last January; their basic working material—nasal washings from victims suffering head colds.



Charted here are broad, general estimates of the economic and dollar loss caused by the common cold, based on health, insurance and public opinion surveys. Time loss: on Associated Medical Services (Toronto) estimate. Wage loss: by taking average hourly rate of 85c an hour. Production loss to industry: on U. S. estimate is 1½ times wage loss. Treatment: on Metropolitan Life estimate of $10 spent annually for drugs by average family.

This substance was quick frozen, then rushed to a Washington prison. There 60 volunteers were infected. Fifty-seven promptly caught cold. For acting as human guinea pigs, the prisoners got an extra $3 a week credit for cigarettes and candy. If they don't draw on it, they get the cash when released. They also get a diploma of thanks from the Health Service.

Hen Eggs Are Used

An important intermediate step was the transplanting of the virus in hen eggs. Experiments showed the agent remained active and reproduced in eggs. When fluid from infected eggs was injected into cold-free eggs, they became infected too.

Tests on more human volunteers showed that the noses of those sprayed with fluid from infected eggs caught cold. Those sprayed with fluid from cold-free eggs did not.

Examination of the infected egg fluid under the electronic microscope showed minute particles, similar to the influenza virus. These are believed to be cold viruses of one type.

The next step is to determine the characteristics of this particular virus, see how it works, how it causes colds and try to develop a counter-agent. Then the same process will have to be repeated as other viruses are found.

Hand-in-hand with this is the continuing study to find what makes some people more immune to colds than others; why colds flourish under certain conditions.

When this is all done it may be possible to produce a vaccine that will give immunity from colds. But there is still a big "if" there because of the unknown factors involved.

Even today, after 20 years research into 'flu, new doubt is being cast on the extent of the immunity given by the two vaccines in use.

Few really effective vaccines have been developed for virus diseases. The most notable: for small pox and rabies. Those for tuberculosis and pneumonia are still on trial.

What is the Best Cure?

Meanwhile Canadians will continue to cough and sneeze, miss work and spend around $40 millions a year on vaccines, sulfa drugs, penicillin, vitamin pills, ultra-violet rays, cough medicines and drugs.

According to medical opinion, closest to the cold problem, the chances of any of these doing any real good in preventing or curing a cold are small.

Cold vaccines developed so far have not been proved effective by any tests that doctors in general recognize.

Sulfa drugs and penicillin are still question marks. Neither destroyed the virus isolated in Washington.

Vitamin pills can be of help to people whose diets are deficient. For others, they offer little help.

Ultra Violet rays can cut down bacteria count in the air as they have in hospitals and President Truman's office. But colds are produced by viruses, not bacteria. What effect they will have on viruses won't be known until more is known about viruses themselves.

Quinine and other drugs have little effect, except in combating high fever, doctors say.

Hot drinks, alcoholic or otherwise, might make a cold victim more comfortable or forget a cold, but that's about all.

Many doctors still insist an untreated cold last 14 days while a treated one clears up in two weeks.

A professor at a leading medical school used to offer this facetious advice to his students in caring for colds:

Put the patient to bed and hang his hat on the bedpost. Give him plenty of whisky and when he sees two hats, he's getting better.

How to Prevent It?

This, and the other "cures" may made a cold easier to bear but they don't begin to get to the root of the trouble: what causes a cold and what can be done to prevent it?

Most people who catch cold are quite certain how they caught it. They sat in a draft; they worked too late; they got over-tired or got too close to someone who sneezed.

Experiments by Dr. Ronald Hare at the University of Toronto showed sneezing is an important factor in spreading whatever causes colds. They established that anyone within a range of nine feet of a sneeze is inviting a cold virus to come in and take over

These tests, among others, have led medical science to the conclusion that drafts, insufficient clothing and over-tiredness are not the cause of cold, but only contributory factors.

Science explains it this way: Bacteria is present in every throat, always ready to start trouble if given half a chance.

But to get started, the bugs must have help from a cold virus. In colds, bacteria without a virus is like a mosquito without a stinger.

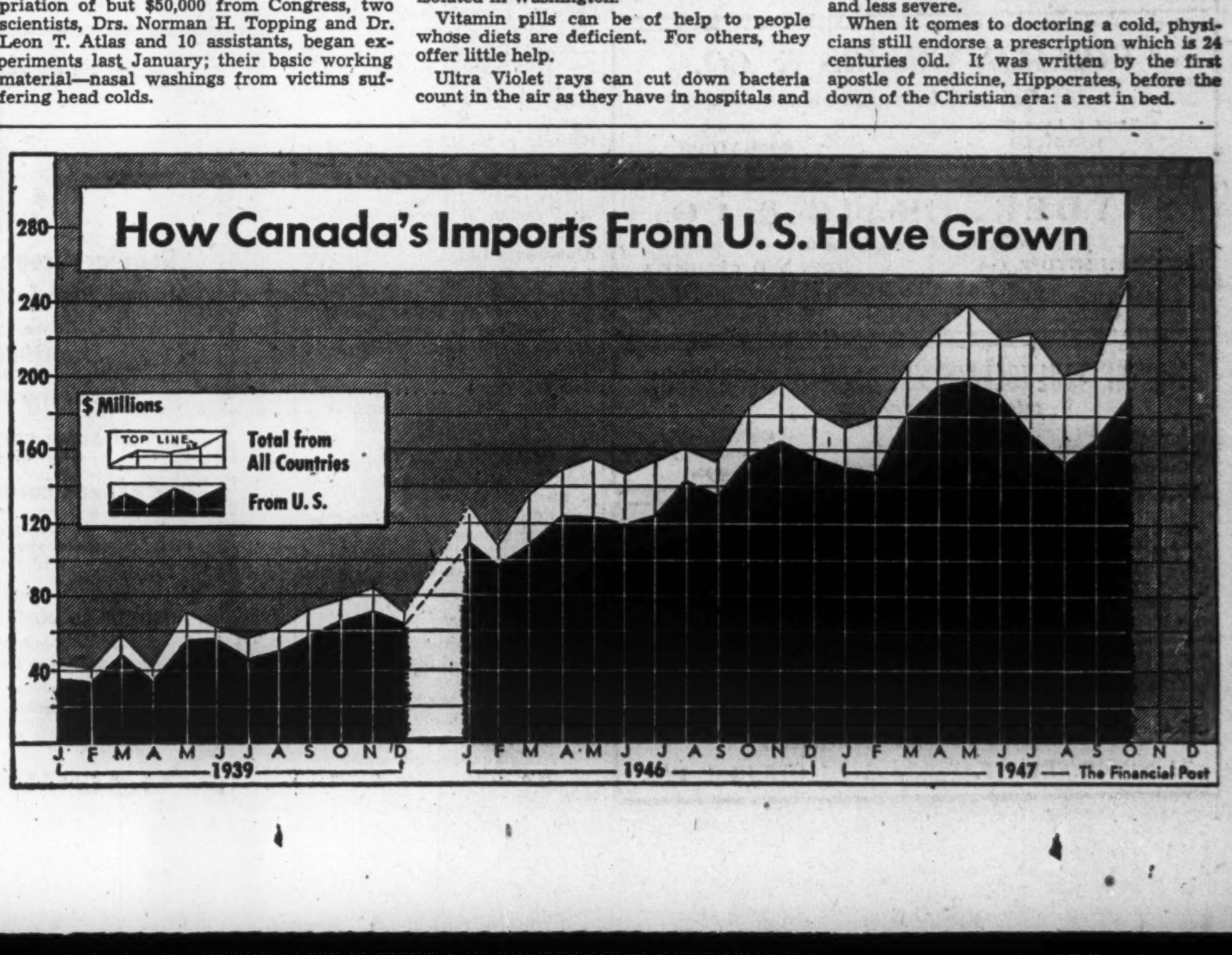
Years of research has pretty well established that at the bottom of every cold is a virus or virus infection. This is literally an invasion by particles so small as to be invisible under the highest power of ordinary microscopes.

They are so minute and all-powerful that they are able to pass through the finest filters of unglazed porcelain as can the bug which causes infantile paralysis.

Compared with tracking down these elusive agents (science believes there are 400 different kinds) looking for a needle in a haystack is kid stuff.

Until medical science does find the answers, the only real preventative on which doctors generally agree is sensible living habits. This means plenty of rest, avoid sudden chilling; adequate diet. They will still catch cold, but the colds may be less frequent and less severe.

When it comes to doctoring a cold, physicians still endorse a prescription which is 24 centuries old. It was written by the first apostle of medicine, Hippocrates, before the down of the Christian era: a rest in bed.



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Avoid Too Many Stocks of Same Type

May Be Hit by Special Factors, Brokers Warn in Post Poll

By JAMES H. JOYCE

Which Canadian stocks do you consider the best to hold over the next three years?

Individual replies of another six Canadian brokers to The Financial Post's survey are published this week. Some replies have already been published, the remainder will appear next week followed by an analysis of the "most popular" stocks starting with Consolidated Mining & Smelting Co. of Canada. Some brokers have requested that their firm name be kept anonymous.

An interesting feature is the composition of the individual lists. Diversification is one of the prime principles of investment and this is stressed in the following replies.

In obtaining diversification, three other good principles of sound investment are brought out in the following replies. They are:

(1) Select well established but differing industries.

(2) Pick a leading firm in each field.

(3) Make sure that the firm has "live," aggressive and capable management.

Investors, however, should not diversify their holdings to such an extent that they are unable to properly supervise them. Too wide diversification makes it difficult to keep track of trends and events affecting each individual investment.

In view of the uncertainty of the business outlook, diversification of investments may prove more important for the invester than ever. A person with "too many eggs in one basket" may be hurt unnecessarily severely if that particular industry or company is hit by government action or some other special factor. It is, of course, always possible this investor may benefit more than the average investor if developments prove particularly favorable.

Similar reasoning applies to investment in the smaller, less well-known companies. Watt & Watt stress this in their reply saying: "Under different circumstances we might feel disposed to include the shares of smaller companies in which growth potentialities seem greater but at this time we feel very strongly that ample working capital, control of raw material sources and a shrewd and experienced management are quite essential. Whether the price inflation we are undergoing continues or is superseded in the next year or so by deflation, the small business which may have prospered in recent years under less competitive conditions may find the going much harder."

One of the following firms—T. A. Richardson & Co., Toronto—has eight of its 10 stocks included in the 20 "most popular" stocks. None of the following firms have less than five of the "most popular" stocks on their lists.

Just because a stock is popular, it does not necessarily follow that it will show the best price record in the next three years. Experience with other stock lists has proved this point.

T. A. Richardson

T. A. Richardson & Co., Toronto:

	$
1. Inter. Nickel	32
2. Moore Corp.	73
3. Hudson Bay M. & S.	42
4. Inter. Paper	58
5. Bell Telephone	169½
6. Dome Mines	22
7. Kerr-Addison Gold	15.25
8. George Weston	27
9. Massey Harris	16¾
10. Walker-Gooderham	25⅞

• • •

J. Bradley Streit

J. Bradley Streit & Co., Toronto:

To provide a maximum of security with a minimum loss of capital appreciation possibilities our 10 selections have been made from 10 well-established but differing industries. Each issue represents what we feel is the most outstanding firm in its industry.

Each firm selected enjoys aggressive management which is alive to present day possibilities of advantageous expansion. In the event that the business tempo of our economy should change, however, the companies selected should provide the economic stability to weather any conceivable economic storm with good chances of continuing dividends.

Here is our list together with a brief sketch of the chief factors behind the selections:

Aluminium Ltd. $215

1. Huge demand exists for aluminum.

2. Output 65% higher in 1947.

3. Company is possibly leading Canadian prospect for a stock split.

Bell Telephone $169½

1. Extended expansion indicated with over 100,000 phone orders unfilled.

2. Earnings record proved favorable even during depression of thirties.

3. Periodic issue of "rights" presents unusual buying opportunities.

British American Oil $22½

1. Current expansion is designed to boost output by at least 25%.

2. Eight months' earnings in 1947 nearly equal to those for all year 1946.

3. Increasing production of oil reported from U. S.

Canada Packers "A" $37½

1. A high calibre investment issue with an attractive participation.

2. Lack of funded debt and preferred makes this senior issue.

3. Company shows a remarkable record of uniformity of growth.

Consol. Paper $18½

1. Profits running at record levels.

2. Capacity operations expected to continue.

3. Working capital doubled, debt charges halved, in last six years.

Consol. Smelters $96

1. Operates world's largest—and lowest cost—lead-zinc mine.

2. Earnings in 1947 reported likely to exceed $10 a share.

3. Company's stock mentioned as one which might be split.

Hudson Bay M. & S. $42

1. Earnings currently running in excess of $5 a share.

2. Mine has responded favorably to development.

3. Working capital at over $24 millions is approaching $10 a share.

Inter. Nickel $32

1. Expanded demand for nickel in industry anticipated.

2. Extra of 40c a share declared recently.

3. Working capital of over $150,000,000.

Kerr-Addison $15¼

1. Engaged in expanding capacity from 2,200 to 4,000 tons.

2. Able to benefit more than average from any gold output bonus.

3. Grade as well as tonnage of ore shows progressive improvement of depth.

Loblaw Groceterias "A" $30

1. Expansion of outlets now being undertaken.

2. Earnings have shown remarkable stability.

3. No bonds or preferred shares rank ahead of this issue.

We believe that the above list provides an excellent cross-section of business enterprise of Canada, representing issues which may be purchased—as a group—by the individual who is too busy to follow the market actively for trading purposes. It is not intended, of course, that an investment portfolio should necessarily be made up entirely of common stocks and the proportion of investment funds placed in the more leverage issues—Consolidated Paper and Kerr-Addison—would be conditioned by the circumstances of the investor.

The analyzing of securities for this contest brought home the fact that there are a large number of issues available in Canada in which security and capital appreciation possibilities are present, although these are not always combined. Numerous examples may be cited. In the steel industry, from which no selection was made, Atlas Steels was felt to feature interesting growth possibilities combined with an excellent yield. But the relative smallness of the company appeared to leave something to be desired from the security standpoint.

Fanny Farmer was felt to be an attractive issue at present price levels with sugar again in adequate supply; but breadth and stability of the market for the company's shares leaves something to be desired.

Many issues in the gold mining industry, such as Dome Mines, Hollinger Consolidated and Teck-Hughes, appeared to offer much better than average capital appreciation possibilities, but these were necessarily excluded because of our "safety first" diversification rule of only one representative from an industry. Perhaps the most highly-developed capital appreciation possibilities of all may usually be found among Canadian junior golds but they were also excluded, as security of capital had been set up as a first requirement.

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Watt & Watt

Watt & Watt, Toronto:

You will note that the companies whose shares we have selected are leaders in their respective industries and in some cases dominate these industries. Under different circumstances we might feel disposed to include the shares of smaller companies in which growth potentialities seem greater but at this time we feel very strongly that ample working capital, control of raw material sources and a shrewd and experienced management are quite essential. Whether the price inflation we are undergoing continues or is superseded in the next year or so by a deflation, the small business which may have prospered in recent years under less competitive conditions may find the going much harder. One or two of the stocks we list do not possess all the qualifications we consider desirable, but diversification should afford protection under every conceivable eventuality.

1. **Aluminium Ltd.** $215
Small share capital, thoroughly integrated with control of raw materials and expanding use for products.

2. **Bell Telephone** $169½
Stability of earnings and good yield qualify shares for almost any portfolio in which security is of prime importance. Nation-wide operations make expropriation, which threatens all public utilities, less likely.

3. **Canadian Industries** .. $22½
Domination of outstanding growth industry in which reseach affiliation with duPont is very important.

4. **Consol. Paper** $18½
Large resources of raw materials in basic industry, Continuing high level of earnings seems assured for several years.

5. **Dom. Foundries & Steel** $29¼
Excellent management evidenced by good labor relations and active development of new products.

6. **Dominion Textiles** $12¼
Excellent earning record and dominates all phases of a basic industry. Small capitalization.

7. **Ford Motor "A"** $22¼
More stylish and better car in every respect forecast with prospect of recovering large share of business in industry which is assured of near capacity sales for some years. Very large plant investment well written down and large working capital.

8. **Imperial Oil** $14¼
Backwardness in market over several years due to difficulties encountered by most important subsidiary has brought shares to a price which does little more than reflect value of domestic operations. Possibility of recovery in International Petroleum's earnings, and development of Alberta fields lends speculative interest.

9. **Inter. Nickel** $32
Restoration of prewar dividend probably indicates confidence of directors that earnings will recover to or exceed prewar levels. Still one of world's richest mines despite magnificent war production record and one of best mediums for protection against continuing inflation.

10. **Kerr-Addison** $15.25
Seems destined to be this country's largest gold producer and therefore most suitable as protection against deflation of prices.

• • •

The following brokers are anonymous at their own request:

Broker I

Broker I, Vancouver.

	PRICE $
1. Powell River Co.	42½
2. Consol. Smelters	96
3. Hollinger	11.75
4. Kerr-Addison	15.25
5. Giant Yellowknife	6.10
6. Canadian Celanese	62
7. Steel of Canada	77½
8. Gypsum Lime & Ala.	15½
9. Moore Corp.	73
10. Inter. Paper	58

• • •

Broker J

Broker J, Toronto

	PRICE $
1. Imperial Oil	14½
2 Canadian Celanese	62
3. Famous Players Can.	17½
4. Consol. Smelters	96
5. Ogilvie Flour Mills	26¾
6. McIntyre Porcupine	60.50
7. National Breweries	44
8. Price Bros.	67¼
9. Shawinigan Power	21½
10. Steel of Canada	77½

• • •

Broker K

Broker K, Winnipeg:

	PRICE $
1. Canadian Industries	22½
2. Bell Telephone	169½
3. Hudson Bay M. & S.	42
4. Aluminium Ltd.	215
5. Great Lakes Paper	19
6. Moore Corp.	73
7. Western Grocers	25
8. Can. Bank of Commerce	23
9. Traders' Finance "B"	44
10. Ford of Canada "A"	22¼

Bell Telephone and Canadian Industries because they are representative of basic Canadian industry in which we have a great deal of faith for the future; Hudson Bay Mining and Aluminium Ltd. because they produce raw materials which should be in good demand, and because the companies should, in volume of production, produce good earnings; Great Lakes Paper common because I think the paper industry should continue to earn satisfactorily, and this company, due to the comparatively few shares outstanding, has considerable leverage; Moore Corp. due to its position in the industry, the strong, well-managed position of the company, and the great diversification of its customers; Western Grocers because it is an important cog in the food distribution industry, and we do not believe that its earning power is appreciated market-wise, principally due to the fact that it does not publish its affairs on a consolidated basis; Canadian Bank of Commerce and Traders' Finance because these two concerns should participate in the increased use of credit, both through commercial loans and consumer goods financing; Ford of Canada "A" because of the backlog of demand for its product, its position in the industry, and also because, if the current movement is successful, to have Canadian subsidiaries of United States companies make a greater contribution to our economy, this company's earnings experience should be most satisfactory.

Open New Pulp Mill At Port Alberni, B. C.

From Our Own Correspondent

VICTORIA—The new $7 million Bloedel, Stewart & Welch pulp mill at Port Alberni became the first industrial concern to take power from the new John Hart Development at Campbell River, as switches were thrown without ceremony to feed current to the twin cities of Alberni and Port Alberni. The company has contracted with the British Columbia Power Commission for 10,000 horsepower.

Opened by John Hart on Dec. 15, just prior to his resignation as premier, the Campbell River development becomes the second major undertaking in the province to bear the name of the man who served his adopted province for 21 years in major posts. First was the northern interior Hart Highway.

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Perfume, Soap, What Have You Hit By Alcohol Price Boost

Canadian industry, consuming industrial alcohol at a record peacetime rate of around $10 millions a year, will now have to pay out approximately $1 million more for that increasingly important commodity.

Within the last few days, several of the larger producers have boosted prices on an average of 10%, to compensate chiefly for successive price increases in the main raw material—molasses. Sold prewar for 7c a gallon, it is now bringing approximately 32c. About 2½ gallons of molasses are required to make one gallon of ethyl alcohol. On top of that there is a 1½c-a-gallon import duty.

Paint, soap, meat packing, perfumes, plastics, are just a few of the commodities whose manufacture, and possibly prices, will be affected by the alcohol price boost. Biggest single consumer of the product is anti-freeze—accounting for approximately 30-35% of overall consumption. Industrial alcohols made from other raw materials, like tree sugar—a by-product of the pulp and paper industry—while increasing in production, still represents a very small proportion of total output.

Directors Acquire Lyman Agencies Ltd.

MONTREAL (Staff) — Lyman Agencies Ltd., Montreal importers and distributors of fine perfumes and toilet preparations, has been acquired by a group of directors of that company. Known as the L. M. Parker Co., managing director is Lindsay Parker. It will continue to import and distribute the same lines of perfumes and toilet preparations which were formerly handled by Lyman Agencies. Directors are: F. L. Jackson, M. H. Turnbull, C. S. McPartlin. Headquarters of the company will be the new offices and showrooms, recently completed for Lyman Agencies in the Sun Life Building, Montreal.

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The Financial Post will provide subscribers as quickly as possible the answers to specific questions about business, taxation, investments, and other subjects. The Post cannot undertake to make predictions, will not express opinions on matters involving individual business judgment or on conditions or investments outside Canada. All communications should be addressed to Business Enquiry Editor, The Financial Post, 481 University Ave., Toronto 2. A four-cent stamp and address label from subscriber's copy of The Financial Post must be enclosed. If more than one enquiry is being sent, subscribers are asked to submit each on a separate sheet of paper, to facilitate research work entailed.

INCOME TAX

Coupon Bond Interest

What is the attitude now of the Income tax authorities regarding Dominion Government bond coupons? Is the interest taxable as it accrues whether the coupons are clipped or not or is it taxable as formerly only when the coupons are clipped and cashed?

There has been no change in the custom of the income tax people. The interest from the coupons is taxable only when they are clipped and cashed.

INVESTMENTS

Fibreweld Ind.

Would you please advise me as to the present status of Fibreweld Industries Ltd.?

Fibreweld Industries Ltd. has been finally wound up.

At an extraordinary general meeting of shareholders on July 17, 1947, called by the directors to consider liquidation proceedings, a small committee was appointed to enquire into the possibility of alternative measures. The committee consisted of E. S. Woodward, chairman, C. E. Hope and T. B. Read.

Chairman Woodward issued the following report on Oct. 22, 1947:

"The committee held several meetings and conferred with officials of the two banks interested and with the heads of the Lions Gate Lumber Co., the lessors. No final meeting of the committee was held to approve a formal report because events compelled direct negotiations between the two banks, the Lions Gate Lumber Co. and the creditors, which left the committee without jurisdiction.

"At the request of a shareholder, I am making a short personal report on the affairs of the Fibreweld Co. Responsibility for the report is my own.

"The major cause of the company's failure was the disastrous change in the price of the cheaper grades of lumber involved in the company's operations. Higher prices of raw material priced the company's finished products out of the market.

"Failure to salvage anything for the shareholders and the unsecured creditors is attributable to the very unfavorable terms of the lease with the Lions Gate Lumber Co. and the harsh interpretation placed upon those terms by the heads of the Lions Gate Lumber Co. Large-scale capital expenditures had been made on the lessors' property in the form of buildings and wharf repairs. Theoretically, the buildings were removable. Practically, they were fixed structures accruing to the benefit of the lessors without adequate payment.

"It is fair to say that the company was assured of liberal interpretation of the terms of the lease by the then head of the Lions Gate Lumber Co. who has since passed away. I am of the opinion that the interpretation given by the present heads of the company was neither fair nor liberal."

The general manager, Donald H. Baker, also prepared a report on the position of Fibreweld Industries and you can probably obtain a copy of this from the Vancouver investment firm of Thomas B. Read & Co. In this report the general manager stated that the present position of Fibreweld Industries was due to:

(1) Insufficient working capital to ride out starting-up troubles. The company received $25,000 from the Industrial Development Bank as against the loan of $50,000 originally expected and $25,000 from the Bank of Montreal for working capital under Section 88 of the Banking Act, both as against capital expenditures of $107,000.

(2) Construction costs doubled over original estimates.

(3) Material prices advanced from 50% to 100%.

(4) Short supplies of raw materials.

(5) Unsatisfactory sales and distribution because the backlog of Permalite orders on hand proved not to be firm orders when the test came.

The general manager did say however that: "The color, appearance and wearing qualities of Permalite are good and in general we have had good response by the consumer. Without a major sales promotion campaign the price is the main deterrent to volume sales assuming material supplies ample. The color and wearing qualities of Artflor are also good and here price is not quite such an obstacle as with Permalite. With sufficient supplies of maple this product can be made at a profit to compete with oak flooring if we sold direct to the retail trade and not through a jobber on a commission basis."

Fibreweld Industries was incorporated in June, 1946, to treat British Columbia's natural softwood, notably hemlock and cottonwood, under a chemical process to produce a color-hardened wood.

Canada Kelp Co.

Please bring me up to date on the present status of Canada Kelp Co.

Mr. R. W. T. Burleigh of the Vancouver investment firm of Burleigh & Partners Ltd., writes as follows:

"I have been requested by the company to answer your letter. In respect to the Canada Kelp Co., the main plant is not yet in full production. In fact, we require certain money to complete the operation. However, we have been marketing one of our commodities, the Kelp tablets and we also have finished the soap plant. The company has not paid any dividends on its preferred yet.

So far, we have not had an annual meeting, as at the present time we have the auditors in to enable us to present a proper statement. As soon as this is available, we propose holding a meeting. We shall be pleased to supply you with any communications we send to our shareholders."

Canada Kelp Co., Vancouver, B.C., was incorporated in April, 1946, to harvest and process kelp and kelp products at its property on Deer Island near Hardy Bay, on the northeastern end of Vancouver Island.

'Oleo' on Market in Fortnight If Ottawa Gives Green Light

It would take just about two weeks for the first oleomargarine to make its appearance on the Canadian market, were Ottawa to end present manufacturing restrictions, a Financial Post survey of meat packers and soap manufacturers revealed this week. Price to the consumer would likely be 40c to 45c a lb.

First production would be on a modest scale and quality would not likely be up to later standards. Two chief stumbling-blocks to early large-scale production would be: (1) lack of plant space and finishing equipment (2) current world shortage of fats, particularly vegetable oils.

Though discreetly silent on the pros and cons of the controversial oleomargarine issue, potential manufacturers are ready to swing into action at the first convincing go-ahead signal from Ottawa. Before they set up new divisions, and earmark funds for new equipment, however, they want definite assurance that any removal of the present ban would be permanent, and not merely a temporary political expedient. Substantial strides have been made recently in methods of oleomargarine manufacture, and large capital expenditures would be involved for new finishing equipment. New personnel would have to be taken on the payroll, as well; and it might take nearly a year to reach the most economic level of operations.

"It would be robbing Peter to pay Paul," is how one soapmaker explained the current quota system on vegetable oils and its relation to oleo production. "We just get so much vegetable oil. If my company made oleomargarine, it would be at the direct expense of our better quality soaps."

A packing-house official said his early production of oleomargarine would be at the expense of shortening. "There is not much likelihood of there being enough fat for everybody for two years yet."

"It is extremely unlikely that oleomargarine would be available in any appreciable quantities in less than a year," another manufacturer believed.

In this country, oleomargarine would likely be made from a combination of vegetable and beef fats, with coloring and flavor added. One likely ingredient would be coconut oil, which has been in a little better supply for the last year, from the Philippines. Other suitable vegetable oils would be peanut, soybean, sunflower, etc. Manufacturers would likely vary oil ingredients as the economics of over-all operations and level of competition dictated.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

H. R. MacMILLAN EXPORT CO. net profit for the year ended Sept. 30, 1947, was a little more than double that of the previous year at $7,128,294.

Present volume of production in the B. C. Coast region was maintained only by finding a market outside Canada for 61.3% of the total output. This market during the past year was approximately:

	Percent
United Kingdom	59%
Other countries (chiefly dependent on Can. and U. S. loans)	14%
United States	13%
Other British Empire and Commonwealth	9%
South Africa	5%

The scarcity of dollars is very rapidly closing or greatly restricting many of the above-named historical markets for lumber from the Canadian Douglas fir region. A new market condition is on the horizon—the controlling factor in which is the character and extent of fresh dollar supplies to our important markets by way of the Marshall plan, or some modification, of it, Pres. H. R. MacMillan states. An exhaustion of dollars would profoundly and adversely affect the market outside of North America, for three-fifths or more of British Columbia lumber that is historically surplus.

CONS. INCOME ACCOUNT

Years Ended Sept. 30:	1947	1946
	$	$
Total sales	63,129,360	31,201,292
Net earnings	17,049,378	7,398,884
Less: Depletion	625,684	568,429
Depreciation	1,385,799	1,107,078
Int., notes, etc.	409,601	403,597
Prov. for tax.♁	7,500,000	3,008,915
Net profit	7,128,294	2,310,865
Less: 6% pref. divd.	38,785	51,714
Common divd.	452,500	180,000
Cl. A divd.	93,284	......
Cl. B divd.	167,911	......
Surplus for year	6,375,814	2,079,151
♁Includes ref. EPT	......	142,105
Times All Interest Earned:		
Before depr. & depl.	41.62	18.33
After depr. & depl.	36.71	14.18
Earnings per Share and Dividend Record†:		
Cl. A: Excl. ref. EPT	$9.55	$3.40
Incl. ref. EPT	9.55	3.61
Paid	0.12½	....
Cl. B: Excl. ref. EPT	3.02	0.97
Incl. ref. EPT	3.02	1.04
Paid	0.07½	....
2nd pref.‡: Paid	4.50	6.00
Com. (old): Paid	0.30+0.20	0.20

‡Redeemed Aug. 18, 1947. †Based on present capitalization.

CONDENSED CONS. BALANCE SHEET

As at Sept. 30:	1947	1946
Cash & bonds	$4,253,825	$1,902,278
Accts. rec.	4,635,974	4,118,589
Mkt. secs.*	68,437	68,438
Inventories	7,210,538	4,601,042
Total curr. assets	16,168,774	10,690,347
Misc. assets†	1,976,429	1,830,067
Funds for tim. lim.	1,005,000	2,002,600
Fixed assets:		
Timber limits▲	11,698,588	11,108,935
Plant & equip.■	8,150,512	8,042,833
Total assets	38,999,303	33,674,782
Accts. & tax. pay.	6,287,753	4,176,009
Other curr. liab.	931,875	1,310,929
Total curr. liab.	7,219,628	5,486,938
Reserves	1,543,000	......
Open voyage accts.	1,778,759	2,512,637
Deferred liab.	492,000	2,935,340
Funded debt	9,199,000	9,949,000
Minority interest	57,600	56,000
Capital stock	1,820,420	1,331,900
Earned surplus‡	16,888,896	11,402,967
*Market value	94,506	98,388
†Incl. ref. EPT	396,705	681,450
‡Incl. ref. EPT	416,217	681,450
▲After depletion	6,122,278	5,515,290
■After deprec.	7,184,393	5,883,730
Conting. liab.	......	174,255
Working capital	8,949,146	5,203,409

CANADIAN CAR & FOUNDRY CO. net profit for the year ended Sept. 30, 1947, at $712,683 was off 41.3%. The decrease is mainly accounted for by the virtual cessation of activity in the car shops for a long period during the fiscal year brought about by shortages of certain essential materials, it is stated. Since then the situation has improved but will nonetheless continue for some time to act as a deterrent to full realization of gross business now on the company's books.

It was also necessary to adopt a policy of long-term purchasing of such materials as were available, as a means of supporting operations, resulting in heavy and unbalanced inventories which have been carried through the trouble-some interval encountered. Whenever the general material flow resumes its normal course, deliveries of completed units will follow and inventories can then be liquidated into accounts receivable, with consequent reduction of bank loans. While operations were thus curtailed during the major part of the year, large orders are on hand and in immediate prospect, which offer a most encouraging outlook for the company's forthcoming year, President V. M. Drury states.

The company turned out its 1,000th bus last fall at the Fort William plant. Not only has every principal city in Canada purchased Canadian Car-Brill equipment, but orders now on the books reflect a high percentage of repeat orders.

The export division has an impressive backlog of orders, and deliveries of rolling stock and automotive vehicles have been made to a number of other countries.

CONS. INCOME ACCOUNT

Years Ended Sept. 30:	1947	1946
Net oper. profit	$383,635	$2,825,784
Add: Other inc.	265,121	199,539
Recov. re war contr.	668,148	......
Less: Deprec.	781,409	958,785
Prov. for taxes*	322,212	851,000
Net profit	712,683	1,215,538
Less: Cl. A divd.	400,000	200,000
Pref. divd.	......	213,886
Com. divd.	292,640	259,718
Surplus for year	20,043	541,934
Earnings per Share and Dividend Record:		
Pref.▲: Paid	....	$0.81
Class A	$1.78	3.04
Paid	1.00	0.50
Ordinary	0.85	2.19
Paid	0.80	0.60+0.11‡

‡For period Apr. 1 to May 22, 1946.
▲Redeemed Feb. 18, 1946.

CONDENSED CONS. BALANCE SHEET

As at Sept. 30:	1947	1946
Cash & govt. bds.	$389,245	$367,909
Accts. rec.	5,169,174	4,938,660
Inventories	17,369,234	12,447,752
Total curr. assets	22,927,653	17,754,321
Investments	747,008	582,206
Misc. assets▲	486,629	865,201
Fixed assets*	17,856,831	16,402,756
Total assets	42,018,121	35,604,484
Bank loan	6,895,000	6,098,000
Accts. & tax. pay.	8,372,922	5,269,752
Due re pf. exch.	7,558	11,822
Total curr. liab.	15,275,480	11,379,574
Due War Assets Corp.	1,168,192	......
Reserves	303,083	301,000
Capital stock	17,145,000	17,145,000
Capital surplus	686,208	691,543
Surplus▲	‡7,440,158	†6,087,367
*After deprec. of	11,740,957	11,013,757
▲Incl. ref. EPT	216,064	699,758

‡Credit adjust. of $1,816,443 re prior year taxes. †Reflects prem. paid on pref. sh. redemption and renegotiation of war business.

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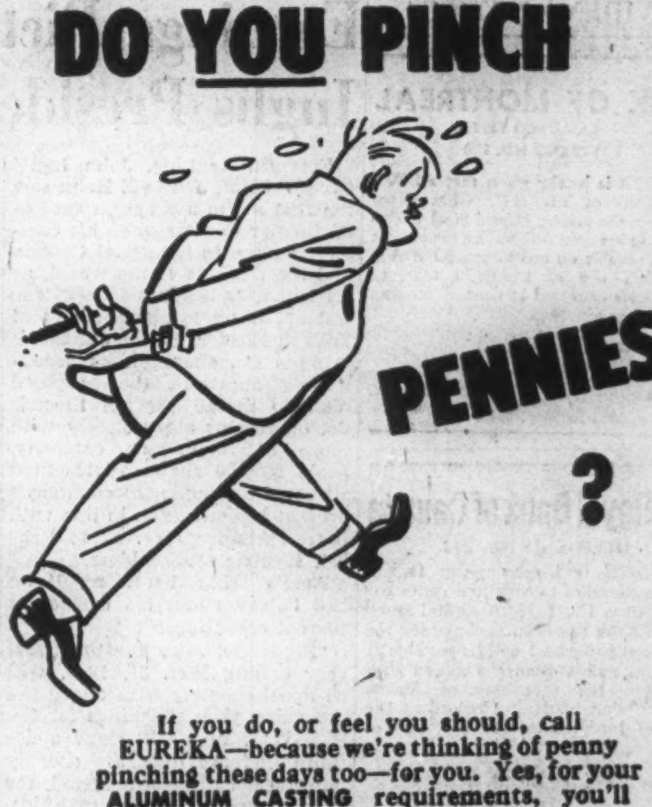

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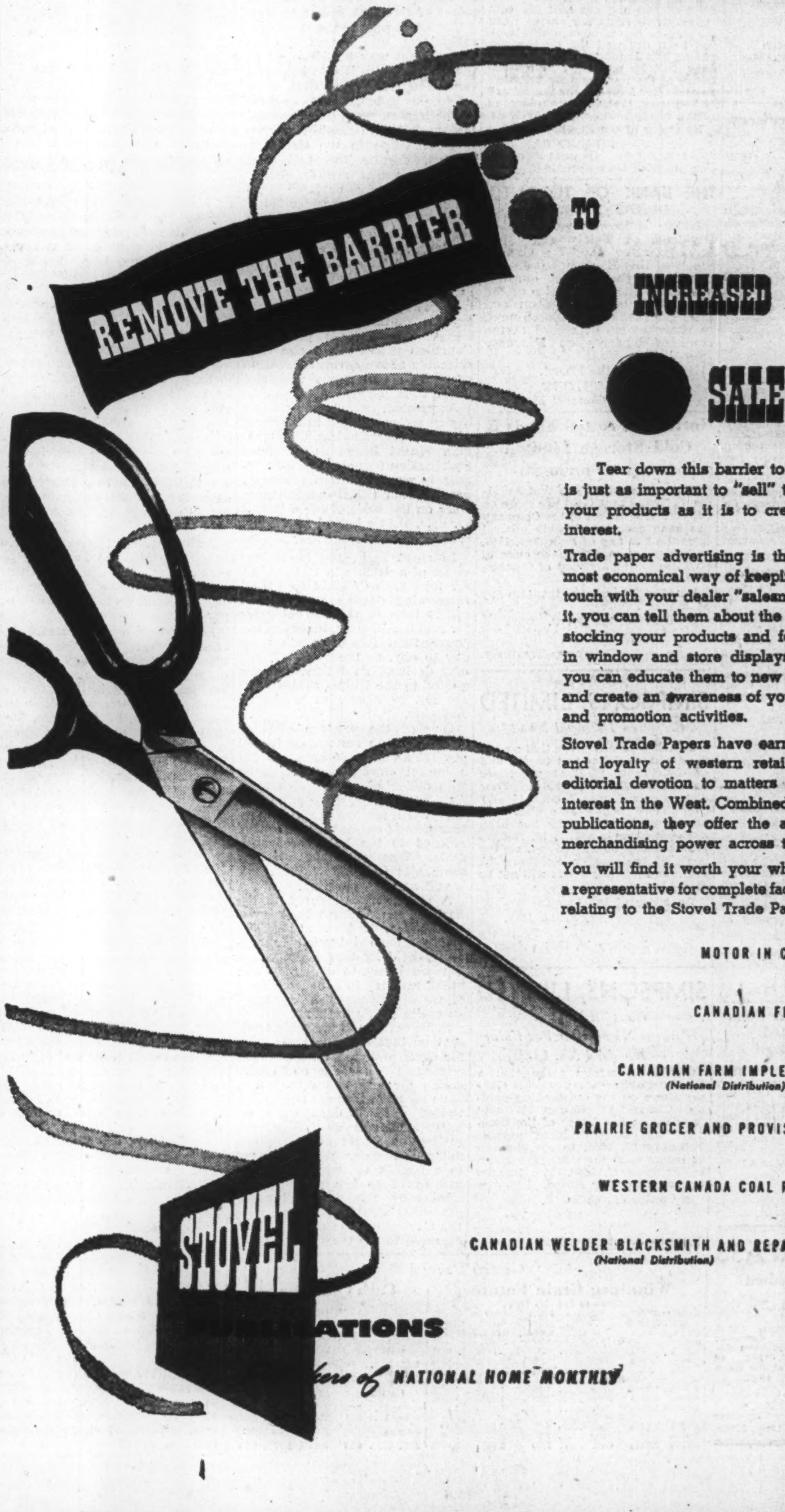

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DIVIDEND NOTICES

BANK OF MONTREAL

ESTABLISHED 1817

DIVIDEND NO. 339

NOTICE is hereby given that a DIVIDEND of TWENTY CENTS per share upon the paid-up Capital Stock of this Institution has been declared for the current quarter, payable on and after MONDAY, the FIRST day of MARCH next, to Shareholders of record at close of business on 31st January, 1948.

By Order of the Board,

GORDON R. BALL,
General Manager.

Montreal, 13th January, 1948.

The Royal Bank of Canada

DIVIDEND No. 242

NOTICE is hereby given that a dividend of twenty-five cents per share upon the paid-up capital stock of this Bank has been declared for the current quarter and will be payable at the Bank and its branches on and after Monday, the first day of March next, to shareholders of record at the close of business on the 31st day of January, 1948.

By order of the Board.

JAMES MUIR
General Manager.

Montreal, Que., January 13, 1948.

KERR-ADDISON GOLD MINES LIMITED

(No Personal Liability)

INTERIM DIVIDEND NO. 46

Notice is hereby given that an interim dividend of three cents per share has been declared on the issued capital stock of the company, payable in Canadian funds on Friday, Feb. 27th, 1948, to shareholders of record at the close of business on Saturday, Jan. 31st, 1948.

By Order of the Board.

G. A. CAVIN,
Secretary-Treasurer.

Toronto, Ontario,
Jan. 19, 1948.

The Hamilton Cotton Company Limited

DIVIDEND NOTICE

Notice is hereby given that a Dividend of 22½ cents per share on the outstanding Common Shares of the Company has been declared for payment March 1st, 1948, to Shareholders of Record at the close of business February 10th, 1948.

By Order of the Board,

E. GLOVER HOWE,
Sec.-Treas.

Dated at Hamilton, Ont.,
January 19th, 1948.

Shea's Winnipeg Brewery Limited

Class A Shares

Dividend No. 3

Notice is hereby given that the half yearly dividend of twenty-seven and a half cents per share (27½c) on the outstanding class A shares of the Company has been declared for the half year ending February 15, 1948, payable on February 15, 1948, to shareholders of record at the close of business on January 31, 1948.

DAVID A. KING,
Secretary-Treasurer.

Shea's Winnipeg Brewery Limited

Class B Shares

Dividend No. 3

Notice is hereby given that a dividend of seventy-five cents (75c) per share plus a bonus of twenty-five cents (25c) per share, a total of one dollar ($1.00), on the outstanding class B shares of the Company has been declared for the half year ending February 15, 1948, payable on February 15, 1948, to shareholders of record at the close of business on January 31, 1948.

DAVID A. KING,
Secretary-Treasurer.

Disher Steel Construction Co., Limited

DIVIDEND

Notice is hereby given that a dividend of Thirty-seven and one-half cents per share has been declared on account of arrears of dividends on the Class "A" Cumulative Redeemable Preference Shares of the Company, payable February 2nd, 1948, to shareholders of record at the close of business January 24th, 1948.

By Order of the Board,

THOMAS E. BOYCE,
President.

Toronto, January 15th, 1948.

The John Bertram & Sons Company Limited

DIVIDEND NOTICE

Notice is hereby given that a dividend of Twenty-five cents (25c) per share has been declared on the outstanding Class "A" stock of this Company, payable February 16th to shareholders of record January 31, 1948.

J. W. McNAB,
Secretary.

Dundas, Ontario.
January 15, 1948.

The John Bertram & Sons Company Limited

DIVIDEND NOTICE

Notice is hereby given that a dividend of Five cents (5c) per share, plus an extra Five cents (5c) per share, has been declared on the outstanding Class "B" stock of this Company, payable February 16th to shareholders of record January 31, 1948.

J. W. McNAB,
Secretary.

Dundas, Ontario.
January 15, 1948.

AGNEW-SURPASS Shoe Stores Limited

DIVIDEND NO. 35

A dividend of Twelve Cents (.12c) per share on all issued Common Shares of the Company has been declared payable March 1st, 1948, to shareholders of record as at the close of business January 30th, 1948.

By Order of the Board,

K. R. GILLELAN,
Secretary-Treasurer

Brantford, Ont., January 13th, 1948.

Earnings Picture Expands Inglis President Reports

Forward-planning, John Inglis Co. president, James E Hahn saw the first act in a program designed further to strengthen his company's place in industrial Canada and the markets of the world, go off without a hitch this week. The last act is up to shareholders of English Electric Co. of Canada.

Inglis Co. shareholders unanimously approved the proposed plan to merge English Electric Co. operations more closely with those of their own company. Some 205,000 shares represented all voted to double the company's present capitalization in line with share-exchange offering to English Electric stockholders.

Here's what President Hahn had to say about his company's current operations:

"Inglis Co. sales for the fiscal year ending Mar. 31, 1948, will be approximately 50% above the preceding year. Earnings for the last six months will show a definite increase over the sharply improved earnings reported for the first half of the year ($91,972). Despite the heavier volume of business done so far, it is expected the company will finish the year with a backlog of orders exceeding that of a year ago.

"We feel that English Electric shareholders will gain considerable benefit by coming into this organization at a time when earnings are being realized through effective planning, and wide acceptance of our products, not only in Canada but in many foreign markets," Major Hahn added.

Most of the lines making up the consumers products division of the company have only been put into production during the past year, and profits from this division will begin to be reflected in operations in the last quarter of the year. One-third of company business is developed by this division, the other two-thirds by the general engineering division which manufactures equipment required by basic industries in Canada.

"In view of the scarcity of material supply, which we believe will continue throughout most of 1948, we have protected ourselves with higher-than-normal inventories, to be able to fulfill the volume of business on hand and additional business anticipated," the president stated.

Canada's dollar austerity program will have more of a beneficial effect than otherwise on Inglis operations, Mr. Hahn told The Financial Post. The consumer products division is completely tooled up and the bulk of raw materials used are available in this country.

Indications point to development of a substantial export business once trade conditions are more stable, Mr. Hahn said. Already token shipments have gone out to a number of countries in the sterling area and several South American countries. Demand for glass-lined tanks has been particularly active.

DIVIDEND NOTICES

THE DOMINION BANK

DIVIDEND NO. 261

Notice is hereby given that a dividend of two and one-half per cent (twenty-five cents per share) upon the paid-up capital stock of this Bank has been declared for the quarter ending 31st January, 1948. The dividend will be payable at the Head Office of the Bank and its Branches on and after Monday, the second day of February, 1948, to shareholders of record of the 15th January, 1948.

By Order of the Board.

ROBERT RAE,
General Manager.

Toronto, 11th December, 1947.

THE BANK OF TORONTO

DIVIDEND NO. 266

Notice is hereby given that a Dividend of Thirty cents per share on the Paid-Up Capital Stock of this Bank has been declared for the current quarter, payable at the Head Office of the Bank and its branches on and after the first day of March next, to shareholders of record at the close of business on February 14th, 1948.

By Order of the Board.

B. S. VANSTONE,
General Manager.

Northern Frosted Foods & Cold Storage Limited

NOTICE OF DIVIDEND

Notice is hereby given that a dividend of 7 per cent (7%) per share on the preferred shares of the Company has been declared payable on and after the 2nd day of February, 1948, to holders of record at the close of business on the 31st day of October, 1947.

Dated at Schumacher this 15th day of January, 1948.

By Order of the Board.

W. IRVINE,
Secretary-Treasurer.

SIMPSONS, LIMITED

Preferred Dividend No. 12

NOTICE is hereby given that a dividend of One dollar and twelve and one-half cents ($1.12½) per share on the outstanding paid-up Four and one-half per cent (4½%) Cumulative Redeemable Preferred Shares of the Company has been declared payable March 15, 1948, to shareholders of record as at the close of business on February 16, 1948. The transfer books will not be closed.

By order of the board.

Frank Hay,
Secretary

Toronto, January 16, 1948

SIMPSONS, LIMITED

Class "A" Shares
Without Nominal or Par Value
Dividend No. 13

NOTICE is hereby given that a Dividend of Seventy-five cents (75c) per share on the outstanding paid-up Class "A" Shares Without Nominal or Par Value of the Company has been declared payable February 25, 1948, to shareholders of record as at the close of business on February 2, 1948. The transfer books will not be closed.

By order of the board.

Frank Hay,
Secretary

Toronto, January 16, 1948

Ottawa's Move Lowers Coarse Grain Ceilings

From Our Own Correspondent

WINNIPEG — Barley prices at the beginning of this week were down by more than five cents a bushel from the high point recorded last week. The first part of the recession seemed clearly due to re-imposition of ceilings on butter and meat, which created a feeling that some farmers might be inclined to reduce feeding operations.

A few holders of long lines apparently decided to liquidate, rather than carry their holdings any longer. Actually, there appears to have been no movement in that direction by livestock feeders, and experts say that grain prices at their peak were in reasonable relation to current prices of livestock products.

The latter part of the recession, early this week, was natural enough, but may be described as illogical, because it was based on some weakening of all U. S. grain prices, due to belief that Congress might impose some price control measures. That brought a sympathetic reaction in the Canadian market, despite the fact that Canadian prices are far below American prices or any level which anyone can consider likely there for months to come.

Paradoxical as it may seem, a decline in U. S. feed grain prices can be construed as bullish for the long-term outlook in Canada, as tending to bring closer the time when embargoes on grain exports southward may be removed. Then, it is presumed, Canadian prices might rise considerably above current levels, to correspond with some new and lower U. S. levels.

At present, exports of oats and barley are prohibited in the form of grain. Nevertheless, the Canadian Wheat Board daily quotes equalization fees charged for permits to export certain processed products; and last week, these were on the basis of 58c a bushel for oats, $1.16 a bushel for barley.

More Elastic Fees?

In strict logic, the immediate effect of a decline in U. S. prices for feed grains should be a corresponding decline in the fees, rather than in the market price for grain. Although, however, the equalization fees fluctuate from day to day, as the Wheat Board may decide, in relation to prices quoted in the United States, they are not so elastic as might be desirable.

One of the western elevator companies has announced it will pay 12c a bushel on oats, and 10c a bushel on barley, to farmers who delivered such grains from Aug. 1 to Oct. 22, when price ceilings were removed; and fortuitous profits on that account have accrued to the holders of such grain. Whether other elevator companies will follow that lead, is still an open question.

A statement attributed to the Saskatchewan Wheat Pool is interpreted in the trade as meaning that no such intention is currently held by that body, which is more likely to distribute any such profits in the ordinary course of patronage dividends on an entire year's business.

Some persons in the grain trade contend that the duty rests upon the Government, if on anyone, to reimburse early sellers of coarse grains for any losses they may have incurred through not having waited until ceilings were removed. They argue that any adjusting payments made by elevator companies really amount to a benefit to the Government instead of to the producer, by weakening the pressure which otherwise would be exercised on the Government to make full adjustment to the farmers.

Grain Prices

Winnipeg Grain Futures

Week to Jan. 19, 1948

Crop year from Aug. 1, 1947 High	Low		High for week	Low for week	Close Jan. 19
		Oats			
.95½	.78⅛	May	.93	.88¾	.88⅞
.95½	.75½	July	.89¼	.85½	.85⅝
.82⅝	.78	Oct.	.83¼	.78	.79⅝
		Barley			
1.36⅝	1.10	May	1.36⅝	1.30⅜	1.30⅞
1.31¾	1.07½	July	1.31⅝	1.24⅞	1.25¼
1.25¾	1.19¼	Oct.	1.25⅛	1.19¼	1.19¼
		Rye			
4.25	2.44½	May	4.25	4.08	4.19
3.93½	3.10	July	3.93½	3.76	3.80
3.05¼	2.64½	Oct.	3.00	2.83½	2.83½

Cash Quotations

	For Week Jan. 19 High	Low	Prev. Week High	Low
Oats				
2 C. W.	.99⅞	.91⅛	.98⅛	.86¼
3 C. W.	.97⅝	.90⅞	.97⅛	.83¾
Barley				
1 Feed	1.31¾	1.26⅞	1.32⅜	1.27⅛
2 Feed	1.31¼	1.21⅝	1.31⅝	1.27⅛
Rye				
2 C. W.	4.30	4.15⅛	4.17½	3.88

Expect Offering G. Weston Pref.

The offering of an additional issue of $3 million 4½% preferred stock, par $100, of George Weston Ltd., is expected next week by a group headed by Gairdner & Co. Offering price is expected to be $100 a share. Proceeds will be for capital expenditures.

During 1947 George Weston Ltd. received its ruling on its standard profits. As a result it is transferring a $1 million, provided for taxes in the years 1940-46 inclusive, back to surplus in 1947 as being no longer required.

Sale of this additional preferred stock is a continuation of a policy of George Weston Ltd. of not creating any funded debt for the company, The Post understands. There is presently outstanding $3.5 million of 4½% preferred stock which was offered November, 1944, at $100 and accrued dividend by Gairdner and Co. This stock had a price range of from a high of $106 to a low of $101 in 1947. It has recently sold back to $100 a share, apparently in anticipation of this new issue.

Ovaltine Case Tests Section Of Foods Act

Canada's food and drug merchandisers are watching closely the outcome of the Ovaltine advertising case which resumed this week in a Toronto court.

Their interest centres in the fact that this is the first time section 32-A of the Dominion Food and Drug Act has undergone a real test in the courts. The section reads:

"Every person shall be guilty of an offense under this Act who advertises any food or drug in a manner which is misleading or likely to create erroneous impressions regarding its value, composition, merit, or safety, either by reason of statements made or device made use of in such an advertisement, or because of failure to disclose in such advertisement, essential facts concerning the actual properties of such food or drug."

The section is not new to a score of Canadian firms who, it is reported, have had it drawn to their attention in discussion with the Department of National Health and Welfare. Out of such discussions, it is learned, have come certain changes in advertising without recourse to the courts.

This is not the first time the section has been before the courts, but in all earlier cases, contraventions of other sections of the Food and Drug Act have been simultaneously charged. In the current case, the Department is proceeding solely under Section 32-A. Successful prosecution would strengthen the Department's hand in its use of this section. The case is not felt, however, to be part of any "special drive" by the Department in relation to food and drug advertising.

What is specifically charged against A. Wander Ltd. of Peterboro, makers of Ovaltine, is that it advertised on May 28, 1947 "in a manner likely to create erroneous impressions regarding the value, composition, and merit of said food."

Main issue of the resumed hearing was worded by the magistrate: "Whether Ovaltine plus milk, equals Ovaltine. In other words, whether Ovaltine per se is a beverage."

Department experts stated laboratory tests with the recommended amount of dry Ovaltine did not show vitamin and mineral content sufficient in itself to substantiate comparisons made in the advertisement. Furthermore, they said, two glasses of milk alone, without the Ovaltine mixed in, would satisfy "a large part" of the claims made.

To this, the company replied, through its first defense witness, that Ovaltine is invariably recommended to be taken with milk.

The Department also object to the advertised statement that "latest evidence shows vitamins do not work alone; they work most effectively in combination with certain other food elements —which are absolutely necessary for best results."

Testified Dr. L. B. Pett, chief of the nutrition division of the Department of National Health and Welfare: "There is no value in simultaneous ingestion of vitamins with food, which cannot be achieved with foods and ordinary vitamins taken separately. It is not true that better results of any kind can be obtained with a fortified food than with a natural food."

One of the department's main objections centred on the advertised statement "If you're eating normal meals, two glasses of Ovaltine give you all the extra vitamins and minerals you need for robust health."

First defence witness was James G. McMillan, president and general manager of the Wander Co. of Chicago, makers of Ovaltine in the United States, who stressed, the product had always been introduced through the medical profession because of its nutritional value. It sells some 20 million units a year in the United States—an indication, according to defense counsel, that erroneous impressions as to its use (e.g. with milk) cannot be easily created.

Complete Some Financing For West. Can. Hydro Plan

Part of the financing in connection with the reorganization plan for West Canadian Hydro-Electric Corp. has been completed and the balance will be within the next week or so, The Financial Post is told.

The company's shareholders approved the reorganization plan at special meetings last December. Briefly the plan proposed that the capital of Okanagan Telephone Co. and Elk Creek Waterworks Co. be reorganized in such a way that 100% of the ownership could be transferred to the preferred shareholders of West Canadian Hydro-Electric Corp. which owned 100% of the stock of these two companies.

One purpose of the plan was to improve the market value for both the 53,810 outstanding preference and 100,000 outstanding common Class B, shares of West Canadian Hydro-Electric.

Reason for the reorganization was due primarily to the expropriation in 1945 by the British Columbia Power Commission of the electric properties of the company, leaving it in effect a holding company whose principal asset was the ownership of two subsidiaries. The amount of compensation to be received from the Power Commission is still subject to legal action, "settlement of which may be long delayed." On July, 1947, all publicly held debt of the company (with the exception of $302,500 Okanagan Telephone Co. first mortgage bonds) was retired by advances from the British Columbia Power Commission and a bank loan of $435,000.

Under the plan the holder of each of the 53,810 shares of 80c cumulative participating no par value preference stock of West Canadian Hydro-Electric would receive the following:

(a) One share Okanagan Valley Telephone Co. 4% cumulative preferred, par $10.

(b) One share Okanagan Valley Telephone Co. no par value common (covered by a voting trust certificate).

(c) One share Elk Creek Waterworks Co. no par value common.

Holders of the West Canadian Hydro-Electric common shares would be entitled to all the remaining assets after settlement with the preference shareholders. These assets consist of minor properties worth about $50,000 and the balance due on a claim against the B. C. Power Commission. Their rights will be subject to all liabilities of this company including the cost of this reorganization, President Ross Peers states.

Okanagan Telephone Co. were to issue $750,000 of new first mortgage bonds to retire present debt and provide for extensions. The Elk Creek Waterworks Co. were to issue $350,000 of new first mortgage bonds for the same purposes. Financing of each was to be done through Pemberton & Son, Vancouver Ltd. Financing of the Elk Creek has been completed.

Okanagan Valley Telephone Co., a new company, was formed to purchase all the shares of Okanagan Telephone Co., now owned by West Canadian Hydro-Electric Corp. Its capitalization consists of 100,000 authorized, 53,810 issued, cumulative 4% preferred shares, par $10, and 100,000 authorized 53,830 shares issued no par value common shares (the extra 20 shares issued to provide for directors' qualifying shares).

It was anticipated that, in addition to the 40c per share from the preferred stock, 40c per annum would be paid on the common shares of the new company, Mr. Peers stated. First semi-annual dividend is hoped to be paid on March 1, 1948.

In order to provide for a continuity of management, Messrs. Ross Peers, F. A. Sherrin and R. M. Brink are acting as voting trustees for a period of 10 years. For this purpose all the common shares of the company except directors' qualifying shares will be deposited with the Canada Trust Co. under a voting trust agreement.

After reorganization the Elk Creek Waterworks Co. capital would consist of 100,000 authorized, 53,810 issued, no par value common shares. While because of the very substantial program of expansion no immediate dividends are anticipated from the Elk Creek Waterworks common stock these undoubtedly can and will be paid in the not too distant future, Mr. Peers states. Okanagan Valley Telephone Co. will agree to manage the Elk Creek Waterworks for a period of five years for a nominal fee based on a proportion of head office rent and overhead. This agreement may be treminated at any time by the Elk Creek Waterworks Co.

Directors recommended the plan.

Clients of Pemberton & Son Vancouver Ltd. own the majority of the preference and common shares. The majority of the company's common shares have been placed in a voting trust and three directors of Pemberton & Son, Vancouver, are the voting trustees. "Your directors own common and preference shares in your company and for them are also directors and shareholders of Pemberton & Son Vancouver Ltd.," Mr. Peers pointed out.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

IMPERIAL LIFE ASSURANCE CO. reports a record year in 1947, its 50th year. Insurance and retirement annuities in force reached $486.3 millions, up $48.9 millions on the year. New insurance paid for at $69.5 millions was up 14% over the previous record. Contracts reinstated were $1.3 millions. Annuity contracts in force, including group annuities, but excluding retirement annuities, provided for annual payments of over $1 million.

Receipts were higher, premium income being $15.6 millions and interest earned $4.7 millions, a total of $20.3 millions from these two sources.

Policy proceeds distributed to policyholders and beneficiaries totalled over $8 millions, policy benefits distributed since the company started in 1897 reaching $172 millions. Rate of mortality was favorable.

Total assets rose almost $9 millions to $146.5 millions. Mortgages increased, the loans being on business and residential properties in the larger Canadian centres and on improved farm lands in the West. Of the investments, 83% are high grade corporation, municipal and government bonds. Rate of interest earned on investments was 3.49% (3.59% 1946). Policy loans showed only a slight increase despite the larger volume of insurance under which loans could be made. Important items in the report follow:

	1947 $	1946 $
Insurance in force	486,279,211	437,339,623
New insurance ...	69,553,810	60,786,282
Total receipts	24,699,377	23,384,097
Premiums	15,611,585	14,918,210
Int. divds.	4,748,586	4,584,735
Pd. P'holders & benefic.	8,057,266	7,396,349
Inc. in P'holders funds	8,891,321	8,778,873
Sh'holders divds..	150,000	150,000
Liabs. to P'holders inc. pol. reserves	136,582,117	127,452,189
Liabs. to sh'holders	1,281,217	1,281,572
Other liabs.	513,715	616,870
Total assets	146,559,352	137,775,725
Surplus policy fds.	3,390,000	3,315,593
Conting. reserves .	1,000,000	1,000,000
Free surplus	3,792,303	4,109,501
Interest earned ..	3.49%	3.59%

INTERNATIONAL PAINTS (CANADA) LTD. net profit for the year ended Sept. 30, 1947, was up 50.8%. The company again experienced an unprecedented demand for its products, and sales have been governed by the amount of raw materials available. There has been some improvement in the raw material situation but certain vital products are still in short supply.

Considerable progress has been made in enlarging and improving the company's factories, and during the year the sum of $226,007 was spent on capital expenditures. The new plant in Vancouver is almost complete and is expected to be in operation early this year. It is expected that as from Oct. 1, 1947, a further $90,000 will be required to complete projects.

CONS. INCOME ACCOUNT

Years Ended Sept. 30:	1947	1946
Net earnings	$465,925	$374,780
Less: Deprec.	25,468	16,547
Inc. tax res.▲	202,466	196,302
Trans. to gen. res.	31,810	16,193
Trans. to invent. res.	13,000	......
Goodwill w/o	......	16,000
Dev. exp. prov.	5,000	5,000
Net profit	188,181	124,738
Less: Pref. divd.	125,976	83,984
Surplus for year	62,205	40,754
▲Incl. ref. EPT	......	8,348
Earnings per Share and Dividend Record:		
Preferred:		
Excl. ref. EPT ...	$4.48	$2.97
Incl. ref. EPT	4.48	3.17
Paid (prior year)	1.50*+1.50•	$1+$1
Common: None earned or paid.		

*Incl. $0.50 re 1946-47 year.
•Eliminating arrears.

CONDENSED CONS. BALANCE SHEET

As at Sept. 30:	1947	1946
Cash & Dom. bds.	$205,793	$402,477
Life ins., c.s.v.	9,067	8,546
Accts. rec.	562,288	418,345
Inventories	497,685	424,700
Total curr. assets ...	1,274,833	1,254,068
Misc. assets▲	159,851	156,223
Fixed assets*†	563,407	372,606
Total assets	1,998,091	1,782,897
Accts. pay., etc.	294,610	229,260
Taxes pay.	195,218	149,572
Total curr. liab.	489,828	378,832
Reserves	352,793	307,984
Capital stock	840,000	840,000
Earned surplus▲	315,470	256,081
*After depr. of	412,282	387,076
▲Incl. ref. EPT	130,423	133,239
†After deducting $150,917 surplus from appraisal of properties.		
Working capital	785,005	875,286

Junior I.D.A. Group Formed in Winnipeg

Formation of the Junior Investment Dealers Association of Canada, Winnipeg Branch, was completed last week, The Financial Post is told. This is the third such group to be formed. Other cities are planning the formation of similar groups, it is understood.

The Winnipeg Branch elected the following officers: J. P. Osler, Osler, Hammond & Nanton Ltd., president; J. Boyd, Royal Securities Corp., vice-president; D. L. Watkins, Dominion Securities Corp., secretary and John K. Guttormson, Oldfield, Kirby & Gardner Ltd., treasurer.

N. M. PATERSON & COMPANY LTD.
Own and Operate
Terminal Elevators in Fort William
109 Country Elevators
Total Storage Capacity 12,000,000 bus.
31 Vessels on the Great Lakes
Total Carrying Capacity 4,500,000 bus. per trip
Head Office: FORT WILLIAM, ONT.
609 Grain Exchange, Winnipeg

JAMES RICHARDSON & SONS
LIMITED
Grain Merchants
Shippers and
Exporters
HEAD OFFICE WINNIPEG MANITOBA
OFFICES THROUGHOUT CANADA

GRAIN
MERCHANTS
SHIPPERS
AND
EXPORTERS
LINSEED AND SOY OILS AND MEALS
TELCO
MASTER FEEDS
TORONTO ELEVATORS
Limited

THE CANADIAN CONSOLIDATED GRAIN
COMPANY LIMITED
Operators of Country Elevators in Manitoba and Saskatchewan and Terminal Elevators at Fort William and Port Arthur
Grain Commission Merchants — Shippers and Handlers of All Grains
Head Office: WINNIPEG, CANADA

FEED GRAINS
BULK or SACKED
All Grain Selected from our Elevators in the Finest Growing Districts of Western Canada
National Grain Company Limited
Write or Wire to Winnipeg for Quotations
HEAD OFFICE, WINNIPEG
Terminal, Fort William

Western Grain Co. Ltd.
WINNIPEG, CANADA
275 Country Elevators and Terminal Elevator at Fort William
SERVING THE PRODUCERS OF THE PRAIRIE PROVINCES
Shippers and Handlers of All Grains

FEDERAL GRAIN
LIMITED
Our Service and Facilities Guarantee Satisfaction

Scaled to your Particular Needs
Our long experience as general investment dealers enables us to offer a highly satisfactory service to investors. We give special attention to those investors who seek the advantages of *diversified* investment, scaled to their particular needs. Rest assured your enquiries will receive our most careful attention.
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Head Office: 360 St. James St. W., Montreal
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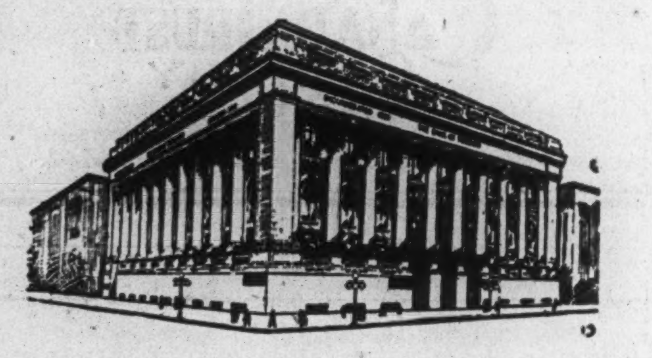
VIGOROUS AND UNITED EFFORT NEEDED TO COMBAT INFLATION

SAYS F. H. MARSH, PRESIDENT, THE BANK OF TORONTO



Gentlemen:

I feel sure you will agree that the statement presented by the General Manager is excellent. We have had a good year, and the position built up over the past 92 years has been well maintained. The Bank of Toronto has upheld its national reputation as a friendly institution pursuing the highest ideals of good banking.

From the war-time economy, which required the sacrifice of every other consideration in order that goods and services be provided as part of the national plan for the winning of the war, we are gradually returning to a normal way of life.

A Year of Prosperity

The past year has been one of prosperity on this continent. Yet it must be apparent to all that conditions are still abnormal. The time of complete adjustment still lies ahead. Government, industry and finance must remain on guard against the difficulties which may continue to arise from time to time.

World Position

For many years it has been evident that a nation cannot endure in political or economic isolation. Seeking to overcome the extremes of nationalism, which hampered trade during the interval between the two world wars, some 23 of the world's great trading nations brought about the Geneva agreements designed to reduce embargoes, tariffs and other impediments to commerce. Further, the International Trade Organization of the United Nations is trying to develop standard practices and codes for a better and freer movement of goods between the countries of the world.

Canada's Part

While Canada, by reason of its industrial and agricultural production, has taken an active part in these arrangements, we continue to be to a large degree dependent upon imports from the United States. This has meant a decline in our holdings of U.S. dollars, as a result of which the Canadian government has deemed it advisable to impose numerous trade restrictions and controls. Obviously, the full benefits of world trade cannot be realized until restrictions and controls are removed.

The Marshall Plan

Considering our high degree of dependence on exports, especially to the United Kingdom and continental Europe, it is plain that the rehabilitation of Europe is a matter vital to this country. Already, in gifts and loans, Canada has done a great deal to help Europe. Much of this has come from the heart, but our heads also tell us that the assistance is both practical and wise. However, the needs are so great and the problem so vast that only the United States can undertake measures sufficiently comprehensive to provide any hope of success. The Marshall Plan is an acknowledgment that nations are interdependent and that North America cannot prosper indefinitely while millions outside its borders are below the subsistence level.

Our part in the Marshall plan will largely be in helping to furnish food, textiles, machinery and supplies to nations wrecked by war. This may mean less goods for ourselves but if the materials we supply under the Marshall plan are paid for in U.S. dollars, our present financial difficulties will be to that extent relieved.

Problems to Solve

When we compare the bleak and austere conditions in Britain, and the chaos on the continent of Europe, with our position at home, we must realize that we enjoy an unusually favored place in the world's economy. But it will require constant vigilance to preserve our nation, its systems and its freedoms.

Our chief current danger is that of being swept along with the present inflationary trend. As bankers we must discourage unwise expansion. Business must realistically appraise its own position and in selling to consumers resist the temptation to take undue advantage of the ready money which momentarily is in hand. Citizens of all ranks should confine their buying to essential purchases and wherever possible resist prices which outrage both pocket and mind. Labour, like management and capital, must see that inflation is everybody's business and that it cannot be corrected by exorbitant profits or continuous increases in wages which simply add fuel to the fire. One of the most effective remedies is to increase production without adding to costs. Labour must give full value and all other factors in production including the mechanical improvements of the war period be developed to utmost efficiency. Taxes now serve as a brake on inflation but can be justified if used to pay off the debt incurred by war. Once inflation is conquered, taxes should be substantially lowered as an incentive to business progress.

Exports

The present international trade difficulties, to which I have referred, present a challenge to Canadian businessmen. New avenues for export must be explored to a much greater extent than before the war and preferably to countries whose currency is convertible into dollars. Business leaders are alive to the importance of our export trade but it is essential that their numbers be greatly increased—and that this knowledge be spread through all ranks of business producing goods which can be exported.

The recent trade mission to South Africa and other countries, headed by the Hon. J. A. McKinnon, then Minister of Trade and Commerce, in company with several prominent business men, is a first-class example of constructive co-operation on the part of government and our free business system. Another splendid effort is the coming International Trade Fair which will be held in Toronto from May 31 to June 12 this year. Over 25 nations are expected to attend to display their wares and there can be no doubt that the interchange of goods between their countries and Canada will be stimulated greatly.

Agricultural Resources

An unfavourable growing season in 1947 lowered our agricultural production but the increase in prices may keep the figures of farm income level with those of 1946—though this money will buy less than it did last year. Farm technique in Canada is, with more and better machinery and increasing electrification, showing steady improvement. Soil erosion is being studied and progress is being made in reducing waste of natural resources. The problem of keeping men on the farm is far from solved but better hours and wages, modernization of farms and living quarters, good roads and dependable transportation, may help strike a better balance between farm and city.

Forestry

Lumber, newsprint, and a variety of other forest products, including rayon and plastic from cellulose acetate, have continued in active demand. The great timber provinces actively are pursuing plans of forest-preservation and there is hope that with proper co-ordination and supervision a halt will be brought to the wasteful practices of the past. It is known that a tract of woodland may be tremendously productive year after year and yet be in better condition a century hence than it is today, provided it is sanely and conservatively handled, having regard to its increasing value and importance nationally.

Mining

The Federal Government has shown that it is aware of the importance of our mining industry and its vital place in Canada's economy. During 1947 gold production stood at $106,000,000—an increase of about seven per cent over the previous year but far below the 1941 peak of almost $206,000,000. New methods of discovery are extending the gold areas but shortage of miners handicaps development. There is general agreement that production of gold and base metals should be encouraged.

The total production of all minerals in Canada—valued at $619,000,000 for 1947—has broken all records. Iron ore deposits found in Northern Ontario and near the Quebec-Labrador border are adding to our potential output. Further discoveries in Alberta are highly important to our petroleum supplies. Of considerable significance also is the report of deposits of high-grade anthracite coal in northern British Columbia. The great heritage of mineral wealth with which we have been endowed by nature is one of our most precious possessions. Handled properly by responsible Canadians in business and government, it can do much to maintain and increase our high standards of life in this country.

Immigration

Shortage of labour in mining areas gives point to the need for more intensive immigration. The European situation is such that government officers can hand-pick prospective immigrants, trade by trade and skill by skill. Canada needs miners, farmers, technicians and workers in nearly every field. Many highly trained Europeans, especially those who have suffered under Communism, are ready and anxious to reach our shores. Indeed, the suggestion has been made that as well as contributing money, food and clothes to sustain Europeans abroad, some Government assistance should be given to bring suitable immigrants here to help build Canada.

Keep Canada Free

More than any other year, 1947 has helped to enlighten Canadians about the common facts of rival economic systems. More people than ever before know that socialism, whatever its claims, means regimentation of the population and a lowering of the standards of life. Even in Great Britain the Government has thought it necessary to assume complete control over every aspect of an individual's labour. Citizens now may be put to work of the Government's choosing, moved from job to job, or dismissed from factory or farm, according to the official view of what is necessary.

The result in part has been that many groups of labour in both Canada and the United States have made a decided effort to remove from positions of influence those who belong to the extreme left. It is now recognized that Communists are not true Canadians, nor are they a political party, but the agents of a form of government which is entirely foreign to our way of life.

While it is well that our people should have no illusions about the dangerous features of Communism and Socialism, business must sell itself and, by operating according to high ethical standards, emphasize its advantages to the people as a whole. A business is a human undertaking and its executives, to obtain best results, must do their part in promoting the spirit of friendly relationship among all engaged in its operation.

Labour and Profit

Labour, too, is giving more study to the free enterprise system under which Canada's high standards of life have been built and maintained. Many staunch union men know that labour receives the greatest share of the consumer's dollar, that taxes get the next biggest proportion and that profits come last. Likewise, they know that it is profits which keep equipment up to date, start new companies and create new jobs. The profit incentive, as long as it is fair and just, is indispensable to progress. Wealth does not just grow. It is the result of work, skillfully planned and executed by the combined efforts of aggressive and freethinking people both in management and labour.

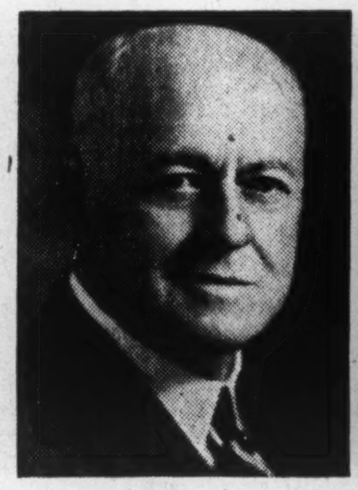
Education

The advance in thinking indicated above emphasizes that a remedy for many—perhaps most—of our ills is to be found through education. Out of knowledge comes understanding and a realization that each of us depends on the other. The more we know, the readier we are to practice consideration and self-denial, and to contribute our best efforts to the work before us.

This great force—education—is deserving of the all-out support of every individual and institution. Our natural resources are not enough to keep Canada high in her world place unless they are developed at the hands of an enlightened public, and expanded by experience and capable technicians and management to the benefit of our national economy.

BANK OF TORONTO APPOINTMENTS

Promotions for executives who have spent their entire business lives in the banking profession, each of whom started in boyhood as a Junior.



F. H. Marsh
President since 1942, is appointed Chairman of the Board.

J. L. Carson
newly appointed President, has been Vice-President and Director since 1942.

B. S. Vanstone
General Manager since 1942 and Director for the past year, becomes Vice-President.

L. G. Gillett
Assistant General Manager for the last four years, now appointed General Manager.

B. S. VANSTONE, GENERAL MANAGER, REPORTS RECORD NEW BUSINESS

Canadians must work together for Country's Future

The Ninety-second Annual Statement presented to you today can, I am confident, be regarded as in every way satisfactory.

Profits

Our earnings have been well maintained and total profits, $2,211,827, after our contribution to the Pension Fund (full provision for Bad and Doubtful Debts having been made), were actually higher by $132,708 than a year ago. However, Dominion Government taxes, $890,532, were $118,449 greater, and Depreciation on Bank Premises and Equipment, $133,532, was also up $20,955. After these deductions the net amount available for shareholders was $1,187,762, a decrease from last year of $6,696.

Dividends paid during the year at the rate of $1.20 per share (the equivalent of 3.44% on the shareholders' funds consisting of Capital, Reserve Fund and Profit and Loss Account) totalled $720,000, leaving a balance of $467,762 carried forward to Profit and Loss Account. In relation to our Paid-Up Capital, $6,000,000, our Reserve Fund and Profit and Loss Account now total $14,763,967, a position of which we may well be proud.

Total Assets

Total assets, $393,000,000, have increased over $25,000,000 from a year ago and are the highest in the Bank's history. The liquid position continues excellent, quick assets $265,000,000 being equal to 71.14% of all liabilities to the public.

Securities

Reflecting the general expansion in business and the greater demands of our borrowing customers, our total investment in securities is $19,000,000 less than a year ago and now totals $187,000,000, of which $164,000,000 is in Dominion and Provincial Government bonds and $23,000,000 in Municipal and other securities.

Call Loans

Call Loans, $6,700,000, have decreased $489,000.

Current Loans and Discounts

A year ago we reported a gratifying increase in Current Loans of 28%. In the past twelve months we have continued to share to a very satisfactory extent in the general growth of business and this year Current Loans, $112,000,000, are higher by $30,000,000—over 36%.

Our loans are well diversified and the increase general, representing a greater use of our facilities by practically all classes of borrowers.

Acceptances and Letters of Credit Outstanding

These reflect our financing of export and import trade. The total, $9,900,000, is higher by approximately $5,800,000, a remarkable increase and one that is a further and gratifying indication of the increased extent to which our commercial customers are employing our facilities.

Bank Premises

Bank Premises, $4,087,000, are higher by $595,000. Our growing volume and the opening of new branches has required the expenditure of fairly substantial amounts for additional premises and equipment and in addition an extensive programme of improvement and modernization is being proceeded with as circumstances permit.

Deposits

Our deposits from the public now exceed $337,000,000, an all-time high, over $33,000,000 more than a year ago. Deposits bearing interest, $234,000,000, have increased $25,000,000 and those not bearing interest, $103,000,000, are $8,000,000 higher. In the past five years our interest-bearing deposits have increased over 150%.

Dominion Government deposits, $16,900,000, are lower by $14,000,000.

Branches

We opened 15 new offices during the year and now have a total of 200 branches, an increase of 25 in the past two years.

Inspections

The Bank's Inspectors have, during the year, inspected all branches with the exception of four opened in the last few months and the shareholders' auditors have made the customary audit of cash, securities and loans at Head Office and the principal branches at Toronto, Montreal, Winnipeg and Vancouver.

Staff

We now have a staff of 2,076—172 more than a year ago and 948 more than in 1939. Of the total, 931 are women. In the past year they have performed their duties well and faithfully and I am particularly pleased at this time to pay tribute to their loyalty and efficiency, an asset which does not appear in our Balance Sheet but which we value highly.

With the mounting cost of living it is not easy for many of our employees, particularly the younger men with family responsibilities, to carry on without strain. We have a full realization of their problem and since the lifting of salary controls have done what we could to meet the situation by increased salaries, bonuses and living allowances. That what has been done in this regard is acceptable is indicated by their co-operation and whole-hearted effort.

Customers and Shareholders

We are sincerely appreciative of their loyalty and support. To those who have joined us during the year we extend a hearty welcome with the assurance that it will be a pleasure to serve them at any and every branch.

Security and Service

The past year in Canada has been a most satisfactory one—full employment, high wages, and good markets for our products at excellent prices—with the result that farmers, merchants, industrial concerns and individuals were never in better shape. The position of Canadians today is one of good fortune. Families have more of the good things of life, more conveniences, and more leisure time than ever before in Canada's history. Behind this stands the real wealth of the nation—our unexcelled natural resources, the factories, farms, houses and business institutions built by profits and savings. We are a favoured people whose bank deposits and holdings of securities have reached an unparalleled height.

However, Canadians must not be complacent but must work together for the country's future. In our interdependent world a substantial part of our future is concerned with an unsettled and unsound international situation and a deterioration in this could cause rapid changes in values. We have a difficult Exchange situation and the imminence of renewed or new government controls with the possibility of some disturbance of trade.

It should also be plain that in great part the time when goods, because of their scarcity, could be sold at any price is definitely passing. In a number of lines production is overtaking demand, while in others prices are reaching the point where sales resistance is becoming apparent. With the slightest slackening in demand a return to more competitive conditions is indicated. Business, in its plans for the immediate future, must have the most prudent regard for all these elements and it would appear the part of wisdom to keep affairs in sound liquid shape, operations efficient, and inventories well in hand.

Internationally, our Banks have always been well regarded and I feel that in Canada, as a result perhaps of their services through the war years, they stand higher in public favor than ever before. We may well be proud of our banking system and in my opinion we are remiss if ever we lose an opportunity to defend it.

The next few years will further test our abilities and resourcefulness but we believe that The Bank of Toronto, on the strength of its position and the character of service it renders, stands unsurpassed in a banking system that over the years has met successfully every test to which it has been subjected.

I would be the last to claim that in any way our institution approaches perfection. Nevertheless, perfection must always be our goal as we in The Bank of Toronto strive towards a complete understanding of the problems brought to us, with the hope that as we solve them we shall render a continually improving service to an ever widening circle of friends.

THE BANK OF TORONTO

BT-48

The Wawanesa Mutual Insurance Company

Admitted Assets...	$6,784,348.81
Surplus	3,180,060.58
Dom. Govt. Deposit	2,378,615.74

Write for Financial Statement

Head Office WAWANESA Man. — Eastern Office TORONTO Ont.
Branches at Vancouver, Saskatoon, Winnipeg and Montreal

ORLAC RED LAKE MINES Jan. 5 installment of 250,000 shares at 50 cents a share has not been exercised and balance of agreement with W. B. Milner has been terminated by default.

Morden, Helwig & Ferrie
LIMITED
INSURANCE ADJUSTERS
Automobile, Casualty, Fire and Allied Lines; Inland Marine, Aircraft
HAMILTON, London, Chatham, Windsor, Owen Sound, Sarnia, St. Catharines, Kitchener, Welland, Simcoe

ANTIQUITY

Forty three years do not entitle one to come within the category of antiquity. However, it does enable us to point out that 43 years ago we conceived the idea of *buying* insurance protection for the public. In other words, we became AGENTS OF THE INSURED instead of representing the Companies.

As further protection we originated our Fire and Accident Prevention Inspection Service.

Our high reputation has been well worth striving for.

We solicit your business!

"Representing the one who pays the premium"

IRISH & MAULSON
LIMITED
Insurance Brokers, Fire and Accident Prevention Inspection Service since 1904.

20 Victoria St. TORONTO, Ontario ELgin 6481 — 606 Cathcart St. MONTREAL, Quebec PLateau 5595

Fewer Fires in Ontario in 1947 But Monetary Loss Shows Increase

While there are fewer fires in Ontario in 1947 than in 1946, monetary loss was higher.

Total number of fires, 17,427 was 1,318 less than in the previous year, but actual financial loss was $832,542 more. Insurance losses were up $1.5 millions, probably the result of the property being insured for amounts nearer to its actual value than in the previous year.

Fires in the last three months of the year at 5,286 were 1,350 more than in 1946, the actual loss being up $945,773 and the insured loss up $924,381. The 1947 figures are subject to revision, Ontario Fire Marshal W. Scott states.

Figures for the year and the last quarter compare as follows:

ONTARIO FIRE LOSSES
12 Months to Dec. 31

	No. of Fires	Total Loss	Insurance Loss
1947	17,427	$17,106,358	$14,734,383
1946	18,745	16,273,816	13,211,350
Increase	....	$832,542	$1,523,033
Decrease	1,318		

Fourth Quarter

	No. of Fires	Total Loss	Insurance Loss
1947	5,286	$4,594,163	$3,926,188
1946	3,936	3,645,390	3,001,807
Increase	1,350	$945,773	$924,381

There were 47 fires with losses exceeding $50,000 during the year. Of these, 10 occurred in the last three months, as follows: — Port Stanley, fish handlers' dock, $65,569; Dover Twp. grain elevator, etc., $81,014; Sudbury, church, $127,702; Beverly Twp., barn, $81,259; St. Catharines, shoe store, $117,506; Toronto, storage building, $122,153; Toronto, engraving works, $72,551; Toronto, oxygen Mfg. plant, $150,000; Collingwood, restaurant, $57,200; Cornwall, paint shop, $500,000.

Fatalities for the fourth quarter were 32, including 13 men, eight women and 11 children with 58 persons injured. Total fatalities for the year were 117, an increase of more than 8% over 1946. Personal injuries totalled 315.

During the year there were 49 criminal court cases for fire crimes, with 45 convictions and four acquittals. Convictions were arson 33; attempted arson 2; neglect causing fire 2; other offences eight.

Classification of fire causes show smoking still the most common cause of fires in the fourth quarter, with electricity next.

Classifications of property destroyed and causes of fire in the fourth quarter follow:

CLASSIFICATION OF PROPERTY
October to December, 1947

	No. of Fires	Total Loss	Insurance Loss
Dwellings:			
Brick, etc, protected	1,760	$241,659	$234,516
Frame, protected	1,794	342,722	301,174
Brick & frame unprot.	263	203,570	156,124
Farm risks	452	754,667	475,499
Churches	24	165,442	142,998
Hospitals, sanitaria & asylums	6	512	512
Public halls	....	......	......
Schools	13	18,360	14,683
Institutional buildings	24	13,219	13,019
Warehouses	32	286,051	197,845
Retail stores & office buildings (buildings only)	209	485,834	451,233
Hotels (buildings only)	39	62,471	43,871
Retail stores (contents only)	145	779,294	736,018
Hotels (contents only)	49	36,608	25,608
Food & food product plants, breweries, distilleries, bakeries	45	87,083	79,575
Flour, cereal mills & grain elevators	6	173,116	166,577
Service stations & oil risks (not garages)	12	4,964	4,764
Saw & shingle mills	9	42,292	28,792
Lumber yards, pulpwood; in mills or elsewhere, etc.	11	8,742	8,442
Woodworks (excluding saw mills)	17	30,680	29,801
Metal works, garages, foundries	82	205,727	184,728
Mining risks	2	348	309
Railway, traction properties, public utilities	17	6,638	6,438
Miscellaneous manufacturing	50	253,818	253,518
Miscellaneous non-manufacturing	87	95,759	81,459
Sprinklered risks	102	234,292	232,217
	5,250	$4,533,888	$3,869,859

CLASSIFICATION OF CAUSES

	No. of Fires	Total Loss	Insurance Loss
Chimneys & flues	132	$87,226	$67,707
Stoves & furnaces	431	260,901	223,326
Hot ashes, coals & open fires	175	72,958	63,478
Sparks on roofs—wooden shingles	85	34,296	31,528
—fabricated roofs	3	395	395
Exposure fires	23	3,139	3,139
Smoking	1,720	332,262	305,752
Matches	218	44,458	42,721
Lights (other than electric)	219	78,019	78,004
Electricity	592	569,383	461,778
Lightning—unrodded bldgs.	413	120,631	99,742
—rodded before 1922	1	400	400
—rodded since 1922	2	3,814	3,814
Spontaneous combustion—in barns	3	8,045	6,445
—all others	31	64,679	40,193
Petroleum and its products	237	154,297	130,581
Incendiarism	18	31,042	25,577
Miscellaneous	216	80,183	64,942
Unknown	731	2,587,760	2,220,337
	5,250	$4,533,888	$3,869,859

SWIFT & CO. total 1947 sales reached an all-time peak of 2,248,766,634, a 71% increase over 1946. Net earnings were $22,334,977 as compared with $16,395,000 in 1946. The company's postwar program of plant modernization and improvement in the U. S. and Canada is moving ahead on many fronts, but not at the pace anticipated. Utility buildings have been added at Toronto. A poultry plant has been added at Moose Jaw, Sask.

CUB AIRCRAFT CORP. has received payment for an additional 1,000 shares at 60c a share, part of Nov. 15, installment under agreement with Jules Soltermann. Issued capital is 225,511 shares.

Admiralty Expert Member of B. C.'s Research Council

From Our Own Correspondent

VICTORIA — British Columbia's Research Council, already setting marks in its field, is to have an addition in the person of Sir Charles Wright, who was knighted in recognition of his services to the British Admiralty in wartime operational research.

"Sir Charles' experience will be a great asset in the application of operational research methods to the development of British Columbia, industries," Trade and Industry Minister L. H. Eyres, Council Chairman, stated.

Sir Charles graduated at Toronto, accompanied Scott on his 1910 Antarctic trip, served in a scientific capacity with the British War Department 1914-18 (winning the O.B.E., M.C., and Cross of the Legion of Honor), then joined the British Admiralty. In 1934 he became director of research for the Admiralty, a post he held until his retirement last year.

COMPANY REPORTS

MANUFACTURERS LIFE INSURANCE CO. in its 61st annual report shows insurance in force of almost $1.1 billions, a gain of $125 millions, equal to the amount of insurance in force at the end of the company's first 32 years.

Of the total business in force on Dec. 31, $1,005 millions is ordinary business, $25 millions group business and $65 millions deferred annuities. In addition the company has annuity contracts under which payments are currently at the rate of $3 millions per annum.

New insurance written was $168.4 millions, an increase of over 9% over 1946, the previous record year. The company last year celebrated its Diamond Jubilee.

Total receipts at $66.6 millions were down slightly from 1946. Premiums current and paid in advance were the biggest single item in the receipts, totalling over $45 millions while interest and dividends were $11.7 millions.

Payments to policyholders at $21.2 millions were up about $2 millions. Of the total payments death claims were $7.4 millions, payments to living policyholders and annuities being $13.7 millions.

Total assets at $358 millions rose about $28 millions. The gross rate of interest earned on invested assets in 1947 was 3.65% (3.61% in 1946).

During the year, investments in preferred and common stocks increased, Government bond holdings were down but holdings of corporate and municipal bonds and of mortgages were up.

Important items in the report follow.

	1947 $	1946 $
Insur. in force	1,095,256,531	969,884,256
New insurance	168,418,081	154,236,828
Total receipts	66,627,544	67,950,666
Premiums	43,664,444	45,647,709
Prems. in advance	1,726,915	2,352,505
Int., divds., etc.	11,770,121	10,776,476
Policy payments	21,210,777	19,260,467
Amounts withdrawn	4,413,754	3,815,225
Expenses & taxes	9,957,861	8,569,183
Sh'holders divds.	195,000	180,000
Written off assets	3,999,421	2,715,989
Incr. in ledger assets	26,850,730	33,409,801
Liabs. to p'holders	331,192,950	304,953,523
Other liab. (general)	5,925,634	5,949,313
Liabs. to sh'holders	2,493,226	2,492,984
Conting. reserves	5,250,000	5,000,000
Total assets	358,121,438	330,143,238
Surplus	13,259,628	11,747,416
Int. earned	3.65%	3.61%

NATIONAL LIFE ASSURANCE CO. reports increases in new insurance, insurance in force and total assets at the end of 1947. Insurance in force on Dec. 31 totalled $108 millions ($96 millions 1946) while new insurance at $17.4 millions was 21.7% over the previous year.

Receipts from premiums and investments were $3.3 millions from which the company paid $1.1 millions to policyholders and their dependents under policy contracts. Of the remainder $1.2 millions was set aside for policyholders under their contracts. Total reserves held for policyholders under their contracts now stand at $18.3 millions. Policyholders' dividends took $150,805.

During the year a dividend of 10% was paid to shareholders, the first dividend since 1937. Between 1937 and 1946, amounts which might otherwise have been used for shareholders dividends were set aside in reserve funds to strengthen the company's financial position, the directors state.

Mortality experience in the latter part of the year was not favorable, which is reflected in the company's earnings. During the year, holdings of Dominion Government bonds decreased. Important items in the report follow.

	1947	1946
Insurance in force	$108,199,806	$96,027,708
New insurance	17,426,275	14,191,000
Total receipts	3,540,053	3,311,052
Premiums	2,530,776	2,341,812
Int. divds. rents	707,275	646,871
Pol. payments	2,494,242	2,203,781
Expenses, taxes, etc.	1,020,810	800,970
Sh'holders' divds.	25,000	......
Liabs. to Pol. holders	19,583,618	18,131,124
Liabs. to sh'holders†	256,250†	250,000
Other liabs.	88,232	75,668
Conting. reserves.	475,000	475,000
Other reserves	162,548	166,413
Total assets	20,760,883	19,511,994
Free surplus excl. capital	195,252	413,785

†Inc. capital $250,000 and dividends $6,250.

BANK OF CANADA

Liabilities	Jan. 14 1948 $	Jan. 7 1947 $
Capital paid-up	5,000,000	5,000,000
Rest fund	10,050,367	10,050,367
Notes in circ.	1,182,357,706	1,199,608,978
Deposits: Dom.	75,242,565	34,883,936
Chart. banks	541,470,938	589,947,927
Other	66,113,748	62,411,659
Total deposits	682,827,251	687,243,522
Liabs, payable in sterling, U.S.A. and for'n gold currencies: Deposits	1,433,591	1,233,591
All other liabs.	26,807,902	32,867,118
Total liabs.	1,908,476,817	1,936,003,576
Assets		
Sterling & for'n exchange	1,433,591	1,233,591
Subsid. coin	170,395	137,942
Investments:		
Dom. govt. sh.	979,436,260	1,010,696,117
Oth. Dom. gov.	864,567,311	865,437,228
Other secs.	25,000,000	25,000,000
Total invest.	1,869,003,571	1,901,133,345
Premises	2,342,958	2,341,860
All other assets	35,526,302	31,156,838
Total assets	1,908,476,817	1,936,003,576

The human element is not forgotten

The Canada Trust Company is large enough to maintain a staff thoroughly trained in all phases of estate administration; small enough to give personal attention to each account.

In accepting the responsibility of administering an estate with its demand for efficient, economical service, we must never forget the human element.

We have two objectives constantly in mind.

The one is to plan intelligently so that estates in our charge will provide the utmost benefit for the beneficiaries; the other is to treat these beneficiaries in a friendly, tactful manner.

We would be glad to explain our services to you.

THE CANADA TRUST COMPANY

Branches in 6 Provinces
London, Windsor, Toronto, Winnipeg, Hamilton, Regina, Montreal, Edmonton, St. Thomas, Vancouver, Chatham, Victoria

THE MANUFACTURERS LIFE INSURANCE COMPANY

HEAD OFFICE — TORONTO, CANADA

Established 1887

Balance Sheet as at 31st December, 1947

ASSETS

BONDS		
Government and Government Guaranteed Securities	$185,468,910.54	
Municipal and Other Public Body Securities	24,908,077.20	
Public Utility Bonds	22,001,708.33	
Other Corporation Bonds	33,944,735.29	
		$266,323,431.36
PREFERRED AND COMMON STOCKS		
Preferred Stocks	10,087,320.55	
Common Stocks	7,671,433.29	
		17,758,753.84
FIRST MORTGAGES ON REAL ESTATE		
Urban Properties	31,087,273.24	
Farm Properties	1,281,620.31	
		32,368,893.55
LOANS ON THE COMPANY'S POLICIES		
Loans made to policyholders on the security of their policies in accordance with the provisions of the Company's policy contracts		16,389,934.65
OFFICE PREMISES, OTHER REAL ESTATE AND SALE AGREEMENTS		
Office Premises	675,000.00	
Other Real Estate	331,388.37	
Sale Agreements	1,205,808.41	
		2,212,196.68
CASH ON HAND AND IN BANKS		13,577,201.34
TOTAL LEDGER ASSETS		$348,630,413.42
OTHER ASSETS		
Interest due and outstanding	1,342.16	
Interest accrued but not due	3,100,282.35	
Deferred and Outstanding Premiums	6,380,301.04	
		9,491,925.55
		$358,121,438.97

LIABILITIES

POLICY AND ANNUITY RESERVES The actuarial liabilities of the Company in respect to its policy and annuity contracts	$298,843,903.00
DEATH AND DISABILITY CLAIMS AWAITING PROOF Claims of which the Company has received notification but for which the necessary documents are not yet complete	2,081,128.89
PROVISION FOR UNREPORTED DEATH AND DISABILITY CLAIMS A reserve fund for death and disability claims which may have occurred but notification of which has not been received by the Company	750,000.00
FUNDS ON DEPOSIT Policy proceeds and dividends left on deposit with the Company by policyholders and beneficiaries and accrued interest thereon	19,816,927.13
RESERVE FOR DIVIDENDS TO POLICYHOLDERS Policyholders' dividends to be paid during 1948 and provision for accrued dividends under quinquennial and other deferred dividend policies	3,766,914.00
OTHER LIABILITIES TO POLICYHOLDERS Amounts deposited for payment of future premiums and miscellaneous credits to policyholders' accounts	10,464,017.14
STAFF PENSION FUNDS The accrued liability of the Company in respect to the pension funds to which the Company and its employees jointly contribute	3,296,316.20
GOVERNMENT TAXES ACCRUED Provision for Federal, Provincial and State taxes payable in 1948	796,371.00
SUNDRY LIABILITIES Accrued rents, salaries, commissions, agency balances, Shareholders' dividends, etc.	1,332,446.90
SHAREHOLDERS' FUND Fully-paid capital stock of $1,500,000 plus balance standing to the credit of the Shareholders' Account	2,488,226.19
CONTINGENCY RESERVE	5,250,000.00
SURPLUS	13,259,628.52
	$358,121,438.97

NOTE—Assets and Liabilities in sterling and related currencies are converted into Canadian funds at par of exchange.

M. R. GOODERHAM, President — J. H. LITHGOW, Vice-President and General Manager

AUDITORS' REPORT TO THE POLICYHOLDERS AND SHAREHOLDERS

We have examined the balance sheet of The Manufacturers Life Insurance Company as at 31st December, 1947, and in addition have made test audits of the transactions during the year.

We verified the investments in bonds and stocks and the cash in banks and on hand either by count or by certificates received from the depositories or custodians with the exception of such assets in Japan (statutory deposits) the value of which is less than the liability to policyholders in that country. The market value of the bonds and stocks at 31st December, 1947, in our opinion is in excess of the value at which these assets are carried in the balance sheet. Reserves and other liabilities under policy contracts are stated at the amounts certified to by the Company's actuary.

Subject to the foregoing, we report that in our opinion the above balance sheet and related cash account have been drawn up so as to exhibit a true and correct view of the position of the Company as at 31st December, 1947, and a correct summary of the transactions for the year ended on that date, according to the best of our information, the explanations given to us and as shown by the books of the Company. We have received all the information and explanations we have required.

CLARKSON, GORDON & CO., Chartered Accountants.

Toronto, Canada, 13th January, 1948.

BOARD OF DIRECTORS
M. R. GOODERHAM, K.C., President
J. H. LITHGOW, LEIGH M. McCARTHY, Vice-Presidents
C. S. BAND, ROLPH R. CORSON, E. W. BICKLE, R. A. DALY, A. L. BISHOP, W. J. GRANT

No. 5 *in a series dealing with Pension and Profit-Sharing Plans in Canada*

Pension Plans... Tax Considerations...

An employees' retirement plan must receive the approval of the Department of National Revenue.

Under an approved plan:

- EMPLOYER'S past service contributions are written off over a minimum period of ten years, usually as paid.
- EMPLOYER'S future service contributions are written off each year as paid.
- EARNINGS of the fund are not subject to corporation tax.
- EMPLOYEE'S contributions are deductible from the last bracket of his income in determining his personal tax.
- WITHIN certain limitations, the employee may contribute extra amounts to increase his pension.
- PENSIONS are taxable as income when received by retired employees.
- LUMP-SUM WITHDRAWALS are taxed in employee's hands at *average* rate of tax paid on his entire income for previous year.
- IN THE EVENT OF DISCONTINUANCE of entire Plan, all employer contributions must vest in remaining employees.
- GENERALLY SPEAKING, a plan will not be approved if it is discriminatory, nor if it is designed primarily as a savings and withdrawal plan.

An experienced and *independent* consultant will design a plan, or modify an existing one, in the best possible manner consistent with the requirements of the Department of National Revenue.

EMPLOYEE BENEFIT PROGRAMMES

Inquiries Invited

WILLIAM M. MERCER LIMITED
TORONTO: 2 Toronto Street, ADelaide 4751
MONTREAL: 2070 Metcalfe St., LAncaster 3741 • VANCOUVER: 520 Seymour St., PAcific 7728

INDEPENDENT *consultants in the development, installation and administration of pension and profit-sharing plans.*

"I just can't believe it!"

You suddenly realise that it's fifteen . . . twenty years since you joined your present firm. Your mind goes back over the years and the changes they have brought—in your position; your prospects, your family responsibilities; your assets.

You probably have a will. But does it fit your needs *today*?

We suggest you come and review your estate problems with us; to make sure that full provision has been made for your estate's preservation and proper use on behalf of your heirs. We shall be glad to aid in making such a study without cost to you. Arrange with us for an appointment—soon!

Capital, Reserve and Surplus in excess of $6,000,000

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Company

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DUN & BRADSTREET of CANADA, Limited
The Mercantile Agency
ESTABLISHED 1841
20 Offices in the Dominion

IMPORTANT FACTORS

affecting the value of a specific investment are marketability — yield — security of principal. Without knowledge of these factors, purchase of stocks becomes a matter of guesswork.

The greater the accumulation of relevant information, the smaller the element of risk.

Our services based on years of experience can be a very real factor in the reduction of speculative risk.

STOCK DEPARTMENT
Members of
Montreal Stock Exchange — Winnipeg Stock Exchange
Montreal Curb Market — Calgary Stock Exchange
Private wire connections to all principal markets

OSLER, HAMMOND & NANTON
WINNIPEG

Basic...

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Bank Officials Advocate Economy, Stress Value of Immigration, Education

At annual meeting of Canadian chartered banks held recently, the need of economy and thrift, moderation in demands of various groups for higher prices, more goods and higher wages; need of immigration and the value of education were among subjects stressed. In Britain, need of economy and expanding export trade was urged. Here is a digest of the addresses:

F. H. MARSH, president of the Bank of Toronto.

For many years it has been evident a nation cannot endure in political or economic isolation. The Geneva agreements, the International Trade Organization of the United Nations and the International Trade Fair to be held in Toronto are great steps toward the freer interchange of goods between nations.

Rehabilitation of Europe is a matter vital to this country. Canada's part in the Marshall plan will largely be in helping to furnish food, textiles, machinery, and supplies to nations wrecked by war. This may mean less goods for ourselves, but if the materials we supply under the Marshall plan are paid for in U. S. dollars, our present financial difficulties will be relieved to that extent.

Our chief current danger is of being swept along with the present inflationary trend. As bankers, we must discourage unwise expansion. Business must realistically appraise its own position, and in selling to the consumers resist the temptation to take undue advantage of the ready money which momentarily is in hand. Citizens of all ranks should confine buying to essentials and, wherever possible, resist prices which outrage both pocket and mind. Labor, like management and capital, must see that inflation is everybody's business and cannot be corrected by exorbitant profits or continuous wage increases which simply add fuel to the fire.

Farm technique in Canada with more and better machinery and increasing electrification is showing steady improvement.

Our great heritage of mineral wealth is one of our most precious possessions. Handled properly by responsible Canadians in business and government, it can do much to maintain and increase our high standards of living.

Shortage of labor in mining areas gives point to the need for more intensive immigration. Under present conditions in Europe our government officers can handpick prospective immigrants trade by trade, skill by skill. It has been suggested that some government assistance be given to bring suitable immigrants here to help build Canada.

A remedy for many, perhaps all of our ills is education. This great force deserves the all-out support of every individual and institution. Our natural resources are not enough to keep Canada high in her world place unless they are in the hands of an enlightened public.

* * *

HON. Es. L. PATENAUDE, president, the Provincial Bank of Canada

There exists a misconception of private enterprise and its accomplishments. Continuance of our way of life depends in large measure on its success. It is private enterprise which gives rise to new initiatives and opens new careers to our youth while contributing extensively, not only to the support of governments but also to the progress of the community and the country.

In our desire to excel, we must be careful not to create nor establish beyond reason, enterprises, associations and other types of organizations, without gauging in advance, our needs, their possibilities and the risks involved. No good purpose is served by multiplying our organizations, if we cannot assure their permanance and progress.

We are still burdening our governments with various obligations which will substantially and permanently encumber public budgets. The tendency to saddle the state with matters which have always been considered the individual and personal responsibility of the taxpayer is becoming more obvious.

Is this general tendency exposing us to grave dangers for the future when the world equilibrium shall be restored and war and postwar prosperity has begun to diminish? We shall then have mortgaged the future in the belief that present prosperity is permanent... Our people must return to their former sane custom of practicing economy and thus ensuring conservation of our resources and protection of the family. For some years, what we have lacked above all is not gain but thrift and the conservation of gain.

It is singular indeed to note that people on all sides are seeking entrance to our country while our sons are leaving Canada in greater numbers. Our human capital must be kept at home and we must favor, in every way, its establishment within the country and prevent at all cost, its emigration. We cannot continue to suffer this loss, especially if we take into account that it affects young people who already have received the benefit of good training at our expense in our own educational institutions.

If immigration must continue, at least we ought to exercise great prudence in the choice of immigrants. We must see that this new population respects duly constituted authority and our way of life which favors freedom of the individual and full development of the human person.

* * *

SIR WILLIAM GOODENOUGH BART, chairman of Barclay's Bank Ltd. (of London, England)

The American credit can no longer exert a substantial mitigating influence, and, although there may be further U. S. aid the very steps Britain is obliged to take to solve overriding problems of the balance of payments are bound to aggravate inflationary tendencies, insofar as they involve increased production and exports coupled with restricted supplies for the home market. It is hardly to be expected that any fiscal remedy by itself will suffice to effect a cure. Even the monetary aspect of the problem has other facets as well. Savings is an important one in which the further aid of the banks has now been enlisted under the new "Save the Bank Way" plan, which we hope will be strongly supported.

Our problems in Britain have overtaken us and there is no alternative to vigorous action, but I am impressed as much by the feeling that vigorous action must not be hasty or ill-considered, as I am by the momentous nature of the problems themselves. For what is done at this time will profoundly influence our fortunes for many years to come. What is being determined by current decisions on matters of domestic policy in response to the pressing need of the hour is nothing less than the future shape and trend of the British economy—in particular of British agriculture and of British manufacturing industry in a competitive world.

Experience tells us that in devising means of solving existing problems we should keep an eye on the long term: look beyond the immediate future and see that the remedies we bring to bear to ease present difficulties are calculated also to produce a balanced economic pattern that will stand the test of time.

Present trends in international trade suggest that British industrial development must move toward a greater diversity than has been the case in the past, so as to become more broadly based and hence less vulnerable; and; that it must be encouraged to sustain a strong progressive spirit, so that we may advance rapidly and freely to the initiation and exploitation of new inventions and new techniques.

Staff Changes

The Imperial Bank of Canada announces the following staff changes:

G. R. MURTON, formerly supervisor, head office, to be manager, Yonge & Bloor Sts., Toronto.

O. L. METLER, formerly manager, W. E. St. Thomas, Ont., to be supervisor, head office.

J. VEREKER, formerly manager, West Toronto, to be manager, W. E. St. Thomas, Ont.

J. F. McGINN, formerly assistant manager, Bay & Temperance Sts., Toronto, to be manager, West Toronto.

A. S. BEATTIE, formerly accountant, Brantford, to be assistant manager, Bay & Temperance Sts., Toronto.

H. A. CLEMENT, assistant accountant, Brantford, Ont., to be accountant, Brantford, Ont.

J. B. MACDONNELL, formerly accountant, Kirkland Lake, Ont., to be accountant, Bay & Temperance Sts., Toronto.

F. J. DORSCHELL, formerly accountant, North Bay, Ont., to be accountant, Kirkland Lake, Ont.

L. L. WILSON, formerly accountant, Timmins, Ont., to be accountant, North Bay, Ont.

K. H. HORNING, formerly assistant accountant, Winnipeg, to be accountant, Timmins, Ont.

A. D. RIDDELL, formerly assistant manager, Church & Carlton Sts., Toronto, to be assistant supervisor, head office.

C. W. AUSTIN, formerly accountant, Church & Carlton Sts., Toronto, to be assistant manager, Church & Carlton Sts., Toronto.

J. M. HOUSTON, formerly manager, Queen & Bathurst Sts., Toronto, to be manager, Dundas & Victoria Sts., Toronto.

M. J. GOULD, formerly manager, Bathurst & Dupont Sts., Toronto, to be manager, Queen & Bathurst Sts., Toronto.

R. W. TROWERN, formerly manager, Dundas & Jarvis Sts., Toronto, to be manager, Bathurst & Dupont Sts., Toronto.

S. B. MERRILL, formerly assistant manager, Yonge & Queen Sts., Toronto, to be manager, Dundas & Jarvis Sts., Toronto.

J. E. STEVENSON, formerly accountant, Yonge & Queen Sts., Toronto to be assistant manager, Yonge & Queen Sts., Toronto.

W. B. CLARK, formerly assistant accountant, Yonge & Queen Sts., Toronto, to be accountant, Yonge & Queen Sts., Toronto.

J. B. PRIESTMAN, manager, Yonge & Bloor Sts., Toronto, retires.

A. H. WEAVER, manager, Dundas & Victoria Sts., Toronto, retires.

MR. FRANCIS P. WILSON

Mr. James Stewart, General Manager of The Canadian Bank of Commerce, announces the appointment of Mr. Francis P. Wilson as a Superintendent at Head Office, Toronto.

Mr. Wilson entered the Bank after graduating from The University of Toronto in Commerce and Finance in 1933. In 1942 he was granted leave of absence for active military service and served as an artillery officer with the Third Canadian Division in Northwest Europe. Following this military service he was appointed an Inspector at the Head Office of the Bank and subsequently as Assistant Manager at the Toronto Branch.

CHAMPION SAVINGS CORPORATION
MONTREAL, P. Q.
AGENCIES AT
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PLANNED SAVINGS

NEW CURRENCY RESTRICTIONS DO NOT AFFECT VACATIONS IN BERMUDA

BERMUDA, of course, is in the sterling area. Therefore, Canadians are allowed ample time and funds for vacations on these semi-tropical isles.

And that's good news, indeed. For Bermuda is languid hours on powdery pink sands... and dreamy carriage rides in the magic moonlight. Bermuda is happy days on rolling fairways... exhilarating days under billowing sails. Bermuda is a riot of flowers, a fairyland of colours, a sunny paradise where there's enough happiness in a moment to fill a memory.

You can come to Bermuda swiftly, by plane... or leisurely, by ship. There is an ample choice of fine hotel and guest house accommodations; advance reservations will assure you what you want. In planning your trip to Bermuda, your Travel Agent will give experienced help, complete service and reliable information on all your travel requirements at no cost to you.

For new illustrated booklet, write The Bermuda Trade Development Board, Hamilton, Bermuda, or 372 Bay Street, Toronto, Ontario.

THE "GUIDE" *and the Prairie Market*

More Valuable Studies of Farm Buying Habits
NOW AVAILABLE

Through three years of continuing study of farm buying habits, The Guide has assembled and made available to advertisers, distributors and advertising agencies, a great deal of information on the rural market of Western Canada, not hitherto available. Six separate surveys have been made to date.

The first three surveys, conducted in 1944 and 1945, covered 163 grocery, drug, hardware and automotive dealers in the Provinces of Manitoba, Saskatchewan and Alberta. They revealed pertinent facts on *what farm trade means to dealers,* and on classes, quantities and qualities of merchandise being purchased by farm families. The findings of these three surveys were combined in The Guide Booklet "No. 3—A Continuing Study of Farm Buying Habits", released in October 1946.

The fourth survey, conducted in 1946, covered 52 of the leading *Wholesale Distributors* in Western Canada and revealed *percentages of their total sales volume to rural dealers* and *percentages of rural sales of various grocery, drug and toilet goods, hardware and automotive lines.*

BOOKLET No. 4—A Continuing Study of Farm Buying Habits
(*Rural Housewives' Survey*)

Supplementing its own surveys of Dealers and Wholesalers, The Guide employed "Canadian Facts" of Toronto to make a questionnaire survey of farm and small town buying. During August and September 1947, the questionnaires was mailed to 5200 homes in selected areas throughout the four Western Provinces. It covered *product and brand use of representative lines of merchandise* and included, as well, enquiry as to *what publications were being read in these homes.*

The findings of this independent survey are detailed and summarized in this Booklet No. 4 of the Guide's Continuing Study of Farm Buying Habits. Copies are available to any of our advertising offices.

BOOKLET No. 5—A Continuing Study of Farm Buying Habits
(*Dealer and Wholesaler Survey*)

In May and June 1947, The Guide conducted a further survey covering 66 additional dealers, carrying on the work of earlier dealer surveys, but also including *information on farm and home construction and equipment, autos and trucks, petroleum products and lubrication equipment.*

The findings of this last dealer survey, summarized by "Canadian Facts" and, where possible, combined with similar information secured from 163 other dealers in the previous surveys, together with information secured through the survey of Wholesale Distributors, are embodied in this Booklet No. 5, of The Guide's Continuing Study of Farm Buying Habits, now available on request to any of our advertising offices.

Some Highlights

DRUG PRODUCTS

Product	Percent who use: Village Housewives	Farm Housewives
Nail Polish	54%	40%
Hand Lotion	92	85
Face Cream	86	87
Face Powder	89	88
Dentifrice	96	96
Sanitary Pads	75	75

GROCERY PRODUCTS

	Percent of Housewives who bought in past 2 weeks: VILLAGE	FARM
Ready-to-eat Cereals	86%	85%
Canned or Packaged Soup	73	59
Canned Vegetables	28	38
Canned Fish	60	53

PUBLICATIONS READ

Family Member Reads Regularly:	Percent of Families VILLAGE	FARM
Farm Paper or Magazine	60%	96%
Women's Magazine	60	43
General Magazines	74	59
National week-end newspaper	42	28
Local weekly newspaper	74	82
Any daily newspaper	77	33

The Big Earners are The Big Spenders

Present-day farm purchasing power in Western Canada is big and offers a big volume market to manufacturers and distributors seeking to do business in this territory.

But, farm cash income is by no means evenly distributed. At least 75% of Western farm cash income goes to the 195,000 Guide subscribers, over two-thirds of whom live in homes in preferred farming districts. You can reach the top-ranking, top-spending farmers of Western Canada most effectively through The Country Guide.

Some Highlights

QUALITY RURAL BUYING

Are farm families buying on the average much the same class of merchandise as people in towns as to quality?

	4th Survey 1947, 64 Stores interviewed: No.	%	3 Surveys Combined, 162 Stores interviewed: No.	%
Same Quality	51	79.7	134	82.7
Better Quality	13	20.3	26	16.1
Poorer Quality	..	...	2	1.2

PREFERRED RURAL ADVERTISING

If you were the manufacturer of most of the lines you sell, in order of importance which of the following advertising media would you use to reach farmers—billboards, daily newspapers, farm papers, local newspapers, national magazines, radio?

Total Asked 57	First Choice	Second Choice
Farm Papers	31	15
Radio	14	19
Local Newspapers	10	11
Daily Newspapers	4	6
National Magazines	..	5
Billboards	..	1

THE *Country* GUIDE
WINNIPEG - CANADA

Canada's Largest Rural Monthly Magazine

THIS WEEK'S QUOTATIONS

Quotations here listed are the official stock exchange prices for listed stocks including curb market quotations. For unlisted stocks, quotations by unlisted dealers are given. The Financial Post cannot accept any responsibility for these quotations.

Montreal and Toronto Winnipeg, Calgary and Vancouver

WEEK ENDING JANUARY 16

Mining Stocks

Week Ended January 16

Oil Stocks

High	Low	Div.	Yield	Company	Sales	Last Jan. 9	High	Low	Close
.45	.15	....	....	So. Brazeau	7,000	.17½	.17½	.16½	.17
.33	.07½	....	....	So. West Pete	200	.32	.30	.25	.30
.14½	.05	§.01½	....	Spooner	795	.20	.17	.16	.16
.40	.18	....	....	Sunset	3,925	.09	.10	.09	.09
.10	.01½	....	....	Superior	10,200	.29	.26	.25	.26
1.40	1.15	....	....	Three Point	1,000	.05	.05	.05	.05
.22	.06	....	....	Texas Can.	120	1.35	1.35	1.35	1.35
.23½	.10½	....	....	United Oils	18,341	.12½	.12½	.10½	.11
.54	.14	....	....	Vanalta	1,200	.17½	.17	.16	.16
.14	.05	....	....	Vulcan	40	.27	.25	.20	.25
.09	.01	....	....	Warner	25	.05	.05	.05	.05
.07	.01	....	....	Wellington	23,325	.05	.07½	.06½	.07½
		....	....	York Oils	4,100	.04½	.05	.04½	.04½

* N. Y. Funds. • Paid in 1945. s Extra ‡ Paid in 1946. ‡ Capital Repayment. ▲ Dividend deferred. § Paid in 1947. † Paid or payable in 1948.

Volume of Stock Sales

	Montreal	Toronto	Vancouver	New York
Jan. 18	165,200	700,000	70,402	1,260,000
Jan. 17	......	....	....	390,000
Jan. 16	163,500	840,000	71,633	940,000
Jan. 15	148,700	842,000	54,846	980,000
Jan. 14	163,000	766,000	82,822	1,010,000
Jan. 13	112,200	846,000	82,323	1,160,000

STOCKS NOT TRADED THIS WEEK

	Div. rate $	Last sale	Jan. 16 Bid	Jan. 16 Ask
Int. Mill pref.	▲4.00	110½	..	..
Int. Nickel pf.	▲7%	150	..	..
Int. Paints pf.	1.00	28	27½	30
Int. Pap. pref.	▲4.00	104	104	108
Invest Found'n. pf.	3.00	52½	52½	53½
Journal Pub. Ot.	.68	15	15½	16
L. of the Woods pf.	7.00	165	161	164
Langleys	...	1.50	1.70	3.00

Unlisted Stocks

(Compiled from quotations supplied by Intercity Securities Corp., Kamm, Garland & Co. and Kippen & Co.) Jan. 19, 1948

	Bid	Ask
Allens Toronto units	40.00	....
Anglo Can. Telephone A	10.50	11.25
Beauharnois L. H. & Pwr.	7.00	9.50
British Mtge. & Trust	182.50	....
B. C. Sugar	89.00	92.00
Can. Investors Corp.	7.00	7.75
Canadian Motor Lamp	9.50	10.75
Candn. Silk Prod's. A	24.00	25.50
Can. West. Nat. Gas com.	55.00	....
Do. pfd.	19.75	20.75
Capital Wire Cloth com.	11.00	....
Do. pfd.	23.50	....
Cawthra Apts. units	7.00	....
Chase A. W. units	38.00	....
Colonial Steamships com.	80.00	....
Commercial Finance com.	14.00	....
Commercial Life 10% paid	7.50	....
Commonwealth Inter. Corp.	3.43	3.77
Continental Life 20% pd.	42.50	....
Cooksville com. (old)	14.00	16.00
Do. A	10.50	11.50
Do. B	4.50	5.50
Cuban Can. Sugar com.	4.00	6.00
Detroit Internat'l Bridge	13.50	12.75
Dover Industries Ltd.	11.25	12.25
Dunlop Tire, pref.	25.00	26.50
Dupuis Freres pfd.	26.50	27.25
Empire Life Ins. 25% pd.	17.00	19.00
Fed. Found. & Steel com.	.75	1.00
Foreign Power Sec. pfd.	6.00	8.00
Galt Brass com.	33.50	....
Goderich Elev. & Trans.	15.50	16.50
Great West Life	380.00	405.00
Guardian Realty pfd.	40.00	....
Guaranty Co. of N. Amer.	400.00	430.00
Guelph & Ont. Svgs. $50 p.	61.00	....
Hart Battery com.	7.50	9.00
Hartz, J. F., A	10.75	11.75
Imperial Life	360.00	380.00
Interprovincial Brick A pf	70.00	....
Do. B pfd.	28.00	....
Lambton Loan $50 par	82.00	....
Laprairie com.	7.00	9.00
Do. pfd.	95.00	....
Loblaw Groc. Inc.	19.00	20.00
Manufacturers Life Ins.	345.00	365.00
Monarch Life 30% paid	93.00	....
Monarch Mtge. units	4.25	5.00
Montreal Trust Co.	91.00	....
Mountainview Apts. pfd.	18.00	....
Nat. Drug & Chem. c. new	8.00	8.50
Do., pfd.	10.75	11.75
New Brunswick Telephone	12.75	13.75
Ont. & Que. Ry. 6% cap stk	147.00	....
Ont. Tobacco Plant. units	95.00	....
Peller Brewing com.	7.75	8.25
Do., pfd.	24.00	25.00
Provincial Bank of Can.	15.75	16.75
Prudential Trust	10.50	....
Quality Steels com.	.70	1.00
Royal Trust Co.	101.00	....
Sawyer Massey com.	1.50	....
Seiberling Rubber com.	7.50	....
Sincennes McNaugh. Tugs	2.50	....
Sherbrooke Trust	140.00	....
Sovereign Life 25% pd.	35.00	39.00
Standard Fuel, pref.	46.00	48.00
Do., com.	3.00	5.00
Stand. Tie & Lumber W.	1.75	2.50
Sun Life Assce.	465.00	480.00
Third Can. Gen. Inv.	3.05	3.50
Toronto General Ins.	6.00	8.00
United Farmers Co-op.	3.50	....
United Steel A pfd.	25.00	28.00
Victoria Trust & Svgs.	132.50	....
Waterloo Manufacturing c.	....	6.50
Waterloo Trust & Svgs.	125.00	130.00
Western Assurance, com.	67.50	70.00
Western Grain com.	.50	1.00
Do., pfd.	19.50	21.50
York Trading com.	12.00	....

Significant Investors' Index Numbers

(Base 1935-39=100)

	Mach. and equip. 10	Pulp and paper 8	Milling 4	Oils 4	Textiles and clothing 9	Food and allied prod. 13	Beverages 8	Bldg. mater. 16	Power and traction 14	Banks 8	Total utilities 18	Total co's. 100
*1935 to date:												
High	210.2	287.9	149.7	123.7	214.4	138.5	447.0	168.5	146.2	136.3	149.0	126.1
Low	69.7	51.6	61.2	41.2	78.4	73.5	79.3	66.7	60.2	60.0	65.2	61.1
1947: Monthly Figures:												
Jan.	179.9	253.7	124.9	63.0	182.9	124.0	303.5	124.0	108.1	133.1	117.7	108.2
Feb.	184.9	264.3	125.3	68.6	190.6	129.3	302.5	145.3	110.4	133.4	121.8	109.4
Mar.	180.5	257.6	123.1	65.8	185.9	129.3	291.9	140.2	112.6	130.6	120.1	106.4
Apr.	180.9	242.3	122.8	64.4	180.1	128.6	281.6	136.8	110.3	130.1	117.7	104.8
May	180.3	234.7	120.2	66.9	177.0	127.5	279.5	136.4	109.2	130.7	115.6	104.4
June	177.1	244.5	119.7	67.9	178.0	126.7	289.3	135.8	110.5	129.2	116.7	105.3
July	183.4	261.0	119.3	68.8	179.7	127.3	307.2	136.6	110.6	129.0	120.2	107.4
Aug.	182.1	255.4	117.8	66.6	178.8	126.9	303.1	135.0	108.8	129.4	117.1	105.5
Sept.	178.7	258.6	117.2	64.2	176.2	124.4	304.0	132.9	109.8	128.6	116.9	104.1
Oct.	185.4	275.4	118.1	63.5	180.3	121.7	320.0	133.9	108.9	126.8	117.0	105.3
Nov.	188.0	261.9	119.0	63.1	191.1	121.1	324.0	133.2	107.0	135.0	114.7	107.3
1947: Weekly Figures:												
Dec. 4	188.6	272.0	117.4	64.2	193.2	121.4	324.3	136.9	104.9	135.6	112.4	108.1
Dec. 11	190.5	272.9	116.4	64.6	189.5	121.9	326.8	137.2	104.0	134.1	112.1	106.4
Dec. 18	183.1	268.7	115.5	65.7	185.6	121.5	318.5	134.3	99.6	132.2	111.2	105.3
Dec. 26	188.7	272.1	115.5	68.5	186.1	122.2	314.2	136.0	101.8	132.5	112.6	106.8
1948: Weekly Figures:												
Jan. 2	192.7	271.2	115.5	70.6	186.6	121.9	320.8	136.9	100.6	132.9	114.2	108.9
Jan. 8	193.7	264.8	114.3	72.9	187.4	122.2	320.7	135.8	99.7	132.9	113.5	109.7
Jan. 15	189.6	258.2	116.3	72.0	192.9	117.4	315.2	132.2	102.8	132.9	113.5	108.3

*High and low for year from 1935 to date inclusive are based on weekly figures issued by Dominion Bureau of Statistics.

Dow-Jones Closing Stock Averages

	30 Indust.	20 Rails	15 Util.	65 Stocks
Jan. 19	175.95	50.09	32.89	63.08
Jan. 17	177.24	51.02	33.29	63.77
Jan. 16	177.15	51.41	33.17	63.83
Jan. 15	177.03	51.10	33.11	63.70
Jan. 14	177.37	51.38	33.25	63.90
Jan. 13	177.49	51.52	33.40	64.00
Month ago	181.06	51.70	33.25	64.80
Year ago	174.06	48.76	36.39	63.03
1947-48 high	186.85	53.42	37.55	67.10
1947-48 low	163.21	41.16	32.28	57.33

Toronto Stock Exchange Index

	20 Indust.	20 Golds	10 B.M.	15 W.O.
Jan. 19	168.03	97.57	87.48	34.22
Jan. 17	.....	.....	.....	.....
Jan. 16	169.51	98.32	88.43	34.68
Jan. 15	169.29	99.63	89.27	35.03
Jan. 14	169.84	100.47	90.05	35.79
Jan. 13	170.81	101.71	90.20	35.73
Month ago	169.79	103.52	83.75	28.84
Year ago	176.26	106.99	86.17	22.89
1947-48 high	184.21	120.26	96.14	37.77
1947-48 low	159.82	96.31	77.91	22.28

Montreal Stock Exchange Averages

	10 Util.	20 Ind.	30 Com.	10 Pprs.	15 Golds
Jan. 19	74.2	120.4	105.0	336.85	71.50
Jan. 17	....	....	....	....	....
Jan. 16	74.4	121.7	106.0	350.05	72.14
Jan. 15	74.5	123.0	106.8	349.61	73.00
Jan. 14	74.5	124.3	107.7	354.31	73.00
Jan. 13	74.0	124.8	107.9	358.20	73.07
Month ago	74.6	125.3	108.4	369.84	75.49
Year ago	75.1	123.4	107.3	340.12	70.67
'47-'48 high	74.5	125.1	108.1	371.48	74.80
'47-'48 low	73.2	120.4	105.0	336.85	71.50

Unlisted Mines

Approximate quotations, 3 p.m., Jan. 19, subject to confirmation:

Stocks Not Traded This Week (Continued)

Mining Stocks

OIL STOCKS

Government Bonds

Jan. 20, 1948

(Supplied by Investment Dealers' Assoc. of Canada)

%	Due	Bid	Ask
Victory Loans:			
3	June 1951 ...	103¼	104¼
3	Mar. 1954 ...	104	105
3	Nov. 1956 ...	103½	104½
3	May 1957 ...	102¾	103¾
3	Jan. 1959 ...	101¾	102¾
3	June 1960 ...	101½	102½
3	Feb. 1962 ...	101⅝	102⅝
2½	Mar. 1948 ...	100	100¼
1½	Mar. 1948 ...	99⅞	100⅛
1½	Nov. 1950 ...	100⅜	101
3	Oct. 1963 ...	101⅝	102⅝
3	Sept. 1966 ...	101⅝	102⅝
1½	Nov. 1949 ...	100⅜	101
1½	Nov. 1948 ...	100¼	100⅝
Dom. of Canada Bonds:			
3½	Nov. 1951 ...	101	102
3¼	Feb. 1952 ...	103¼	104¼
3	Oct. 1953 ...	101¾	102¾
3	June 1955 ...	102¼	103¼
3	June 1958 ...	102¼	103¼
4½	Nov. 1959 ...	104¼	105¼
3¼	June 1956 ...	103¼	104¼
3	Perpetual ...	100	101¼
4½	Nov. 1958 ...	102	102⅞
Dom. Guarant'd Bonds			
Can. Nat. Railways:			
3	Jan. 1959 ...	101¼	102¾
4½	Sept. 1951 ..	*106½	*107½
4½	Feb. 1956 ..	*111¼	*113
4½	July 1957 ..	*112	*114
3	Feb. 1953 ...	99⅞	100⅞
4½	June 1955 ..	*111¼	*113¼
5	Feb. 1954 ...	112¾	114¼
5	Feb. 1970 ..	*108½	*110½
5	Oct. 1969 ..	*108½	*110½
Can. Nat. W. Ind. S.S.:			
5	Mar. 1955 ..	*110¼	*111¼
Grand Trunk Pacific Rly.:			
3	Jan. 1962 ...	*98½	*101
4	Jan. 1962 ..	*110	*112
Montreal Harbour Com.:			
5	Nov. 1969 ..	*108½	*109½
Provincial Govt. Bonds			
3¼	June 1956 ...	100⅞	103¼
4½	Apr. 1961 ...	115¼	118¼
5	Jan. 1960 ...	119	122
2¾	June 1966 ...	93¼	94¾
Nova Scotia:			
3	Jan. 1952 ...	101½	103
3½	June 1956 ...	103	104¼
3¾	Nov. 1950 ...	102¼	103¼
4½	Nov. 1960 ...	121	124
5	Mar. 1960 ...	124¼	127¼
3	June 1958 ...	100⅞	102¼
Ontario:			
3½	Nov. 1951 ...	102	103
3¾	May 1956 ...	102¾	104¼
4	June 1962 ...	120	122¼
4½	June 1950 ...	106	106¼
4½	Jan. 1962 ...	124½	127¼
5	Oct. 1948 ...	101¾	102¾
5	Dec. 1960 ...	128	131
2¾	July 1976 ...	95½	97¼
Ont. Hydro Commission:			
3½	Feb. 1953 ...	101½	103⅜
4	Aug. 1957 ...	115⅜	118¼
2¾	June 1971 ...	96½	99
Prince Edward Island:			
4	Mar. 1954 ...	102	104
Quebec:			
3½	Mar. 1959 ...	102¾	104¼
3¾	Feb. 1955 ...	103¾	105
4½	Aug. 1958 ...	109⅞	112¼
4½	Jan. 1963 ...	114	116
5	Feb. 1962 ...	100	101¼
4	Nov. 1952 ...	103¼	104¾
Alberta:			
3½	June 1964 ...	99	101
3¾	June 1959 ...	102¾	104⅞
3½	June 1972 ...	100¼	102¼
British Columbia:			
4	Dec. 1957 ...	112	116
4½	Jan. 1951 ...	112½	115¼
4½	Oct. 1953 ...	113½	117
5	Apr. 1954 ...	117	120¼
2¾	Apr. 1966 ...	96⅜	98⅜
5	Sept. 1953 ...	100¼	112¼
Manitoba:			
4	Dec. 1957 ...	112½	116
4½	Dec. 1956 ...	116	119
5	Dec. 1959 ...	122½	125½
5½	Oct. 1955 ...	115	118
Saskatchewan:			
4	Sept. 1954 ...	99	101½
4	Nov. 1960 ...	99⅞	102¼
4½	Oct. 1951 ...	107	110¼
5	Aug. 1958 ...	106½	109½
4½	Mar. 1960 ...	104⅞	107¾
5	Dec. 1959 ...	108	111
5½	Oct. 1952 ...	106	108¼
6	Mar. 1952 ...	106⅞	109¼

*N. Y. funds.

Dividends Declared

	This payment $	Date payable	Date of record
Agnew-Surp. Shoe .	.12	Mar. 1	Jan. 30
Aluminium Ltd. ...	2.00	Mar. 5	Feb. 6
Aluminum Co. 4% p.	.25	Mar. 1	Feb. 4
Anglo-Candn. Tel. 4½% pf.	.56¼	Feb. 2	Jan. 9
Anglo-Huronian ...	.10	Jan. 30	Jan. 5
Argus Corp.	.15	Mar. 1	Jan. 31
Do. 4½% pfd.	1.12½	Mar. 1	Jan. 31
Atlas Steels	.25	Feb. 2	Jan. 16
Ault & Wiborg 5½% pf.	1.37½	Feb. 2	Jan. 15
Bank of Montreal ..	.20	Mar. 1	Jan. 31
Bank of N. Scotia .	.30	Feb. 2	Jan. 16
Bank of Toronto ..	.30	Mar. 1	Feb. 14
Bath'st Pr. & Pa. A	.37½	Mar. 1	Feb. 3
Beaver Lumber	.50	Feb. 1	Jan. 10
Do., class A	.25	Apr. 1	Mar. 10
Do., pfd.	.25	Apr. 1	Mar. 10
Bellelarre Que.	.10	Mar. 15	Feb. 16
J. Bertram & Sons A	.25	Feb. 16	Jan. 31
Do. B	.05	Feb. 16	Jan. 31
Blue Ribbon Corp. 5% pf.	.62½	Feb. 1	Jan. 21
Bowes Co., A	.12½	Feb. 14	Jan. 31
Brant. Roofing	.40	Feb. 2	Jan. 15
B. C. Forest	.15	Feb. 2	Dec. 15
B. C. Pulp & P. 7% p	1.75	Feb. 1	Jan. 15
British Rub. 5% pf.	1.25	Jan. 31	Jan. 13
Stan. Brock A	.15	Feb. 1	Jan. 10
Do. B	.10	Feb. 1	Jan. 10
Burns & Co., A 1.00+	.50	Jan. 24	Jan. 7
Do.	.25	Apr. 24	Apr. 7
Do.	.25	July 24	July 7
Do.	.25	Oct. 25	Oct. 7
Do., Cl. B .... .25+	.25	Jan. 24	Jan. 7
Do.	.25	Apr. 24	Apr. 7
Do.	.25	July 24	July 7
Do.	.25	Oct. 25	Oct. 7
B'terfly Hos., 7% p.	3.50	Jan. 31	Dec. 31
Canada Cement pfd.	.32½	Mar. 20	Feb. 20
Can. Nor. Power .	.15	Jan. 26	Dec. 19
Can. South. Rly ..	†1.50	Feb. 2	Dec. 26
Can. Starch 7% pf.	3.50	Feb. 16	Feb. 9
Can. West Cord. A	.12½	Feb. 2	Dec. 31
Can. Bk. of Com.	.20	Feb. 2	Dec. 31
Can. Convert. ...A	.18¾	Jan. 31	Dec. 30
Candn. Breweries .	.50	Apr. 1	Feb. 27
Candn. & For. sec.	.15	Feb. 2	Jan. 2
Candn. Invest. Corp.	.10	Feb. 2	Jan. 5
Candn. Bronze	.50	Feb. 2	Jan. 9
Do. 5% pfd.	1.25	Feb. 2	Jan. 9
Candn. Oil	.20	Feb. 16	Jan. 26
Candn. Util. 5% pf.	1.25	Feb. 16	Jan. 29
Can. Pac. Rly. pf. ..	2%	Feb. 2	Dec. 31
Candn. West. Lumb.	.10	Apr. 15	Mar. 16
Do.	.10	Jul. 15	June 17
Do.	.10	Oct. 15	Sept. 17
Can. Vickers 7% pf.	1.75	Feb. 1	Jan. 10
Celtic Knitting.. .30+	.30	Jan. 31	Jan. 12
Cinzano Ltd., A ..	4½d	Mar. 15	Mar. 1
Do., 5½% pfd. ...	2¾%	Mar. 31	Mar. 15
Coch.-Dunlop Hdwre. A	.20	Feb. 15	Jan. 31
Do., pfd.	.30	Feb. 15	Jan. 31
C'monwealth Intnl.	.04	Feb. 15	Jan. 15
Crown Cork & Seal	.50	Feb. 16	Jan. 16
Disher Steel pf. ...	.37½	Feb. 2	Jan. 24
Dome Mines	.25	Jan. 30	Dec. 30
Dom. Bank	.25	Feb. 2	Jan. 15
Dom. Bridge	.30	Feb. 25	Jan. 30
Dom. Coal 6% pfd.	.37	Jan. 31	Dec. 29
Dom. Fabrics	.20	Feb. 2	Jan. 15
Do. 1st pf.	.75	Feb. 2	Jan. 15
Do. 2nd pf.	.37½	Feb. 2	Jan. 15
Dom. Malting	.25	Feb. 2	Dec. 31
Do. 5% pfd.	1.25	Feb. 2	Dec. 31
Do. ext.	.10	Jan. 30	Jan. 19
Dom. Oil	.40	Jan. 31	Dec. 31
Donnacona P. p 4½%	1.12½	Feb. 18	Jan. 15
Dryden Paper	.25	Feb. 1	Dec. 31
Eastern Theatres ..	1.00	Feb. 7	Jan. 15
Enamel & Heat.	.50	Jan. 31	Dec. 31
Esmond Mills 5% pf.	.25	Feb. 1	Jan. 8
Fleury-Bissell pf. ..	.25	Jan. 31	Jan. 15
A. J. Freiman	.12½%	Feb. 1	Jan. 15
Do., 4½% pfd.. ..	1.12½	Feb. 1	Jan. 15
Gen. Steel Wares ..	.20	Feb. 16	Jan. 16
Do. 5% pf.	1.25	Feb. 2	Jan. 12
Goodyear Tire pf. .	.50	Jan. 31	Jan. 16
Gt. West Coal	.40	Feb. 15	Jan. 31
Gypsum Lime	.25	Mar. 1	Jan. 31
Do.	.25	Jun 1	May 2
Do.	.25	Sep. 1	July 31
Do.	.25	Dec. 1	Nov. 30
Hayes Mfg. 4½% p	1.12½	Jan. 31	Jan. 31
Home Oil	.25	Mar. 10	Jan. 30
Hudsons B. ord. 4%-2½%		Feb. 2	Jan. 10
Imp. Tob. 4% pf. ..	.25	Feb. 2	Dec. 23
Inter-City Bak. Do., ext.	1.00	Jan. 31	Jan. 15
Intnl. Metal Ind., A	.40	Apr. 1	Mar. 8
Do., B	.40	Apr. 1	Mar. 8
Do., 4½% pfd. ...	1.12½	Apr. 1	Mar. 8
Intnl. Nickel 7% pf	†1¾%	Feb. 2	Jan. 2
Intnl. Paper 7% p.	†1¾%	Feb. 2	Jan. 2
Intnl. Utilities	†.22½	Mar. 1	Feb. 10
Lamaque-Gold	.08	Feb. 2	Dec. 4
Laura Secord	.20	Mar. 1	Feb. 2
Legare Co. 6% pf. .	1.00	Feb. 16	Jan. 23
Leitch Gold	.02	Feb. 16	Jan. 30
Lewis Bros.	.25	Jan. 31	Dec. 31
McCabe Grain A ..	.15	Feb. 1	Jan. 15
Do. B	.10	Feb. 1	Jan. 15
McIntyre-Porc.	†.04	Mar. 1	Feb. 2
Mercury Mills .. .25+	.25	Feb. 1	Jan. 15
Mid. & Pac. Gr. ...	.25	Feb. 2	Jan. 15
Mt. Royal Rice	.12½	Jan. 31	Jan. 15
O'Brien Gold	.03	Feb. 23	Jan. 23
Ont. Steel Prod. ..	.25	Feb. 15	Jan. 15
Do., 7% pfd.	1.75	Feb. 15	Jan. 15
Peller Brew. 5½% pf.	.68¾	Jan. 31	Jan. 15
Penmans Ltd.	.75	Feb. 16	Jan. 15
Do., 6% pfd.	1.50	Feb. 2	Jan. 2
Prov. Trans.	.40	Feb. 16	Feb. 2
Purity Flour	.25	Mar. 1	Feb. 6
Do. Pfd.	.62½	Feb. 2	Jan. 9
Quebec Pwr.	.25	Feb. 25	Jan. 16
Quinte Milk A	.15	Feb. 1	Jan. 23
Reitman's (Can.) 5% pf.	.25	Feb. 1	Jan. 15
Robinson Cot.	.10	Feb. 2	Jan. 1
Rolland Paper.. .15+	.15	Feb. 16	Feb. 2
Royal Bank	.25	Mar. 1	Jan. 31
St. Law. Flour	.40	Feb. 2	Dec. 31
Do. 7% pfd.	1.75	Feb. 2	Dec. 31
Scythes & Co.	.15	Mar. 1	Feb. 18
Do., 5% pf.	.31¼	Mar. 1	Feb. 18
Seiberling Rub. . .25+	.30	Feb. 16	Feb. 6
Shawin. W. & Pwr.	.30	Feb. 25	Jan. 16
Sheep Creek ord. .20+	.20	Feb. 1	Jan. 10
Sigma Mines	.20	Jan. 28	Dec. 27
Simpsons A	.75	Feb. 25	Feb. 2
Do., 4½% pf.	1.12½	Mar. 15	Feb. 16
N. Slater .... .30+	.30	Feb. 2	Jan. 10
How. Smith Pap. ..	.25	Jan. 30	Dec. 31
Southam Co.	.25	Feb. 16	Jan. 16
South. Can. Pwr. ..	.30	Feb. 16	Jan. 20
Stadacona Mines ..	*.03	Feb. 16	Jan. 15
Standard Chem. ..	.10	Mar. 1	Jan. 30
Do., 5% pfd.	1.25	Mar. 1	Jan. 30
Stand. Fuel 4½% pf.	.56¼	Feb. 2	Jan. 15
Stand. Pav. pf. .62½+	.25	Apr. 1	Mar. 1
Do. com.	.25	Apr. 1	Mar. 1
Steel Co. ord.	.75	Feb. 2	Jan. 7
Do. 7% pfd.	.75	Feb. 2	Jan. 7
Teck-Hughes	.05	Feb. 2	Dec. 4
United Corp. A ...	.38	Feb. 14	Jan. 15
Do. B .... .25+	.30	Feb. 28	Jan. 31
United Dist.	.60	Jan. 31	Jan. 19
Walker-G. & W. .	.37½	Mar. 15	Feb. 13
Westminster Paper .	.20	Jan. 31	Jan. 15
Wood, Alex. & J., pf.	1.75	Feb. 1	Jan. 15

†N. Y. funds. *Initial.
§Arrears on Feb. 1/48 $36.75.

Corporation Bonds

(Supplied by Investment Dealers' Association of Canada)
Jan. 20, 1948

Public Utility Issues:	Int. Rate %	Due	Bid	Ask.	Prev. Week Bid
‡Alg. Cen.H.B.R.	5	'59	68½	71½	66½
†Assoc. Tel. & T.	5½	'55	107	...	107
Bell Telephone	3	'71	96½	99½	96½
B. C. Electric	3½	'67	95	97½	95
East Kootenay	3½	'61	93½	96½	93½
‡Gatineau Pr. D	3¼	'70	98	100½	98
*Do., C	3	'70	90	95	89
Gt. Lakes Pwr..	3½	'67	98	100½	98
*Int. Hydro-El.	6	'44	65½	68½	65½
L. St. Law. Pr..	3½	'63	99½	102½	100½
†Mtl. Trams. A	5	'55	101	...	101½
Nat. Lt. & Pr..	4½	'61	101	...	101
Ott. L.H. & P..	4	'57	100½	...	100½
Power Corp.	3½	'67	96	98½	96½
Quebec Pwr.	3	'62	96½	99½	96½
St. Maurice Pr.	3½	'70	96½	99½	96
Shaw. W. & Pr..	3	'71	94	97	94
Do.	3½	'70	100½	103	100½
Union Gas	4½	'60	99	...	99½
United Secs.	3	'58	90	...	90
Wpg. El.	3½	'71	101½	104	101½
Industrial and Realty Issues:					
Abitibi Pr. P.	3½	'67	97	99½	97
Acadia-Atlantic Sugar	3½	'59	100½	103	100½
Aluminum Co.	3½	'74	101½	104½	101½
B. C. For. Pdcts.	4	'66	93	95½	93
B.C. Pulp & P.	3½	'67	93½	96½	93½
Bowater's Nfld. P. & P.	3½	'68	98½	100½	98½
†Brown Co.	5	'59	100	103	101½
Burns & Co.	4	'63	98	101½	98
Can. Steamship	3½	'67	99½	102½	99½
Can. Brews.	3½	'67	94	97	94
Can. Celanese	3½	'63	97	100	97
Can. Oil	3	'62	97½	100½	97½
Can. West Lum	4	'67	98	101	98
C. P. R.	3½	'51	104	...	104
Do.	4	'49	101½	...	101½
C.P.R.	4	Perp	112	...	113
Consol. Paper	3½	'67	98½	100½	98½
Dom. Coal	4½	'55	100½	103½	100½
Dom. Scott Inv.	3	'64	93	97	93
Dom. T. & Ch.	3½	'67	100½	103½	100½
Dom. Textile	3½	'59	101½	...	101½
Dom. Woollens	5	'64	100½	102	101
Dryden Pap.	4	'61	99½	...	99½
E. B. Eddy	3½	'66	97½	100½	97½
Federal Grain	4	'64	97½	100½	97½
Ham Cotton	3½	'59	99½	...	99½
Imperial Tobac.	3½	'66	95½	98½	95½
Indust. Accept.	3½	'65	95	98	94½
Lake St. J. P.	3½	'61	102½	105	102½
Do.	4	'61	101½	103½	101½
Legare	6	'61	100	...	100
MacMillan (H. R.) Export	4	'65	100	103	99
Maple L. M.	3½	'63	98	101	98
Massey-Harris	3	'66	93	96½	93
McColl Fron.	4	'71	94½	97½	94½
McCormicks	4	'52	99½	...	99½
Mercury Mills	4	'59	100	103	100
Moirs Ltd.	5	'53	99½	...	99½
Montreal Apts.	4	'64	94	96½	94
N.S. Stl Coal...	3½	'63	93	96	93
Price Bros. ...	3½	'66	98	101	98
Silv. Dairies ..	4	'60-64	100	103	100
Do.	4	'71	97	101	97
Simpsons Ltd. .	3½	'60	101	104	101
Steel Co. of Can.	2¾	'67	94½	97½	94½
Toronto Elevat.	3½	'66	101	103	101
United Corp. ..	4	'58	99	102	99
†Western Grain.	5	'63	83½	86½	82
York Kt. Mills.	3½	'71	98½	101½	98½

*Payable in Can. or U.S.
†Payable in Can., U.S. or U.K.
*Payable in U.S.
‡Payable in Canada only.
‡Payable in Can. or U.K.

Record of Financing

Sales by Municipalities, Provincial and Dominion Governments. Offerings of Corporations and Foreign Securities

DOMINION

Dominion of Canada Treasury Bills—Due Apr. 9, 1948, $75,000,000, dated Jan. 9, 1948. Sold at $99.89793, average yield .410%.

MUNICIPAL

Town of Yarmouth, N.S.—2½% and 3%, due Jan. 15, 1949-66, $290,000, issued Jan. 6, 1948. Sold to Mills, Spence & Co., Ltd. at $98.86.

Village of Beebe Plain, Que.—3%, due Jan. 2, 1949-73, $30,000, issued Jan. 6, 1948. Sold privately at $100.

School Commission of St. Joseph de Coleraine, Que.—3%, due May 1, 1948-67, $48,000, issued Jan. 6, 1948. Sold privately at $100.

Village of North Hatley, Que.—3%, due July 1, 1948-62, $24,000, issued Jan. 6, 1948. Sold privately at $100.

Parish of St. Joachim de Chateauguay, Que.—3%, due Nov. 1, 1948-62, $15,000, issued Jan. 6, 1948. Sold privately at $100.

City of Thetford Mines, Que.—3%, due Jan. 1, 1949-68, $25,000, issued Jan. 6, 1948. Sold privately at $100.

Town of Windsor, Que.—3%, due Nov. 1, 1948-67, $80,000, issued Jan. 6, 1948. Sold privately at $100.

Plaster Rock, N.B.—3%, 3¼%, due Oct. 15, 1948-72, $120,000, issued Jan. 6, 1948. Sold at $100 to Nesbitt, Thomson & Co.; Winslow and Winslow, Woodstock N.B., and Bank of Montreal.

Institut des Franciscaines Missionaires de Marie, Que.—2½%, 2¾% and 3%, due July 1948-53-58-68, $450,000, issued Jan. 6, 1948. Offered at $100 for 2¾% and $101 for 3% by Oscar Dube & Co.

CORPORATE

British American Bank Note—3½% and 3¼%, due 1948-55, $800,000, issued Jan. 6, 1948. Sold at $100 to Bank of Montreal.

COMMON STOCKS

Consolidated Theatres—73,500 cumulative noncallable class A shares (no par value). Offered at $9.50 per share, carrying a bonus of ¼ class B share with each class A share by W. C. Pitfield & Co., Ltd.

Commodities

	Latest week	Previous week	Same week last yr.
Cattle	$15.11	$14.54	$13.20
Hogs	23.10	23.60	22.03
Copper, lb.	.21½	.21½	.19½
Sugar, raw, lb. ..	.0510	.05320	.0594
Coffee, lb.	.26½	.26½	.27½
Hides	.31	.30½	.23½
Weekly Indices			
U. S. Labor	164.4	163.0	139.1
Dow Jones	164.27	162.55	119.97
Fishers	171.8	170.8	151.3
Monthly Indices			
Retail (Dec.)	146	143.6	127.1
W'sale (Nov.) ...	142.5	139.3	111.6
U. S. (Oct.) †	156.5	157.4	134.1
Gt. Brit. (Oct.) ...	190.3	196.2	177.6

Note: The base of indices is that 1926 equals 100. †Base 1935-39 equals 100. The British index is Board of Trade converted to 1930 base.

Base of price quotations is as follows: Cattle — Steers, good over 1,050 lb., top price, Toronto. Copper-electrolytic, New York, Coffee No. 4 Santos. Rio Sugar 96 degrees centrifugal c/f New York.

Bond Redemptions

Bond issues:	Rate	Year	Due	Price
‡Can. Nat. Rlwy. 15-yr. gtd. bds.	4%	1952	Feb. 1	100
‡Do. 17-yr. gtd. bds.	3%	1953	Feb. 15	100
T. Eaton Realty Co. 1st mtge. ser. A	4%	1951	Jan. 30	100
‡Garment Centre Cap. Inc. gen. mtge. bds.	5%	1960	Feb. 1	100
‡Gt. Lakes Power 1st mtge.	4½%	1956	Feb. 2	102

‡All outstanding.
*Includes accrued interest.

Municipal Bonds

Jan. 20, 1948

	Coup. %	Matur.	Bid $	Ask. $	Yld. %
Victoria ...	3¼	'55	99	107	3.42
Vancouver .	3	'67	96½	98½	3.10
Calgary ...	3½	'51 61	100½	102½	2.62
Edmonton .	3½	'49-59	100	102	1.92
Regina	3	'64	95	98	3.15
Moose Jaw	3-3½	'60	98	101	3.20
Winnipeg .	2¾	'66	96	99	2.82
Ottawa ...	3	'54	102	104	2.33
Toronto ...	2¾	'72	95	98	2.87
Hamilton ..	3	'53	102	104	2.18
Windsor ...	2½	'75	73½	76½	3.83
Windsor ...	2¾	'75	78½	81½	3.83
Windsor ...	3½	'75	92½	95½	3.77
Montreal ..	3	'70	96	99	3.06
Quebec ...	2¾	'66	93	95	3.11
Halifax ...	3	'66	96	98	3.14
Saint John.	3½	'65	101	104	3.28

Investment Trusts

	Bid	Asked
Affiliated Funds	3.87	4.23
Can. Int. Trust	4.50	5.25
Can. Invest. Fund	4.40	4.90
Can. Invest. Corp.	7.00	7.75
Commonwealth Int.	3.40	3.74
Corporate Invest.	8.73	9.40
Trans-Canada, A	13.20	....
Do., B	....	13.10

Stock Redemption

Company:	Rate	Date	Price
‡Can. Nor. Pwr. Corp. p.	7%	Jan. 15	110
‡Dom. Env. pf........	7%	Mar. 1	88

‡All outstanding shares.

Market Comment

What stocks and bonds are doing and what prominent observers say.

The easing action in Canadian and U. S. stock markets continues. Light volume and stiffening resistance in an increasing number of issues are the most encouraging signs pointing to a possible early market rally. There is little or no improvement in market sentiment, however, and the bear market forecasters are receiving more recruits daily.

While many investors, anticipating some easing in sales and company profits this year, are determined to await a still-expected rally to lighten portfolios, a steadily increasing number of others are starting now to weed out less desirable issues to a point where they might be able to sit out the fairly sizeable market set-back expected by many traders before next summer.

Developments in Washington, where Congressional committees are hearing testimony on major issues such as foreign aid, taxes and inflation curbs, are exercising a day-to-day influence on U. S. and, indirectly, Canadian markets. Bernard Baruch's recommendation that Congress reimpose excess profits taxes (50% of wartime) on industry, brought further selling into the market, despite the remote possibility that a Republican-controlled Congress would allow such an event.

On the technical side, if the triple Dow-Jones industrial bottom of 175 cannot be pierced convincingly at the present time, the implications would seem to favor a strong trading rally.

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Bongard & Co. (Toronto): "During the first weeks of the new year, interest money seeking reinvestment frequently causes the stock market to take on a buoyant tone. This year, however, such a trend has been missing, and the causes are not hard to find. In the international field, the diplomatic conflict with Russia, the worldwide inflation and the dollar crisis abroad, have had unsettling influences. Nearer home uncertainty regarding the ultimate pattern of the Marshall Plan and the difficulty of estimating the effect on earnings of Canada's austerity program, have beclouded the outlook for industrial shares.

"Many companies are reporting high earnings, but these are being capitalized on the stock market very modestly, leading to the belief that there is doubt that such earnings can be maintained. The rising cost of living brings the threat of a new wave of demands for increased wage rates, and the possibility of interruption to production through strikes during the year ahead.

"The ratio between the public's consumption expenditures to holdings of liquid assets has steadily increased for nearly two years, and, while there is still substantial buying power in the hands of many people, the trend should not be ignored.

"Some months will probably have to elapse before it can be seen to what extent gold mines are able to benefit from the recent government assistance.

"Developments in the Leduc oil field and the stimulus which the success there has given to the search for oil in other areas is of great importance to the Canadian economy.

"On the more favorable side, it may be that the trend toward higher interest rates will cause some switching from low-interest-bearing securities into equities. There would seem to be a good demand during the year for base metals, oils, agricultural implements, papers, milling and feed products. Barring unexpected developments, trading in 1948 will probably be selective, and we should see a moderate volume of activity in the stock market."

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H. R. McCuaig; McCuaig Bros. & Co. (Montreal): "We have been living in an inflationary period, when the vast expansion of the money supply (bank deposits plus currency) since 1940 has been, and is, exerting a strong upward pressure on the general price level. Recently this trend has been accelerated since the removal of price controls and subsidies.

"Effect of expanded purchasing power and deferred demand has been to create a very high volume of business activity, accompanied in 1947 by substantial corporate profits, very markedly so in certain industries, and an increasing rate of dividends. The spread between high-grade bond yields and the return from common stocks has seldom, if ever, been as wide as it is today.

"Yet for over a year the stock market, as a whole, has fluctuated indecisively in a broad trading range, to the confusion of a considerable and growing number of people.

"In the past, a sharp and sustained rise in commodity prices such as we are now experiencing has inevitably been followed by a fall, often violent. Memories of 1921 are still fresh, and have made for a cautious attitude towards stocks.

"At some point in the upward spiral of inflation, high prices will of themselves bring about a drop in buying by consumers, or increased production will outrun purchasing power. So far, however, it seems likely that deflation may be postponed for a while yet. There are strong supporting factors in capital expenditures still to be undertaken, in continuing shortages of the products of our basic heavy industries, in the likely continuation of government props for our export trade, and in the shape of Marshall Plan dollars.

"Nevertheless, failure of the traditional January rise to materialize may indicate that investors will continue to discount the near-term factors, and to evaluate common stock earnings on an ultra-conservative basis."

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Moss, Lawson & Co. (Toronto) "The current unwillingness of the market to recognize earning power is certainly being carried to unusual extremes. Walkers earned $3.39 a share in the first quarter and the stock languishes around $26. Canadian Food Products showed earnings of $5.12 on the "A" stock which today sold at $15. Such a relation between prices and earnings allows for large declines in earnings before the current dividends on these stocks would be jeopardized. These are only examples."

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Washington Dodge; Roberts & Co. (New York): "To recite all the numerous factors now at work in the stock market would be tiresome to reader and writer alike. The dominant trend in our reasoning, and in our intuitive feeling, is that although the inflationary course is meeting growing resistance, it has not yet been brought to a demonstrable halt, nor have equity prices yet seemed to recognize that amount of inflation which is probably permanently frozen into the economy. Marketwise, we may have a time-out period while some of the economic issues are being resolved."

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Company Meetings

1948	Company	Place
Jan. 22	Guaranty Trust	Toronto
Jan. 22	London Life Ins.	London
Jan. 23	Crown Life Ins.	Toronto
Jan. 23	John Labatt	London
Jan. 23	Montreal Is. Pwr.	Montreal
Jan. 26	Commonwealth Pete. ...	Calgary
Jan. 26	North Amer. Life	Toronto
Jan. 27	Anglo-Huronian	Toronto
Jan. 28	Cont. Life Ins.	Toronto
Jan. 28	National Trust	Toronto
Jan. 29	Canada Life Assur.	Toronto
Jan. 29	H. R. MacMillan Ex. .	Vancouver
Jan. 30	Can. Perm. Mtge.	Toronto
Jan. 30	Can. Car & Fdry.	Montreal
Jan. 30	Legare Co.	Montreal
Jan. 30	Western Life Assur. ..	Hamilton
Feb. 2	Equitable Life ..	Waterloo, Ont.
Feb. 3	Com. Life Assur.	Toronto
Feb. 3	Grt. West Life Assur. .	Winnipeg
Feb. 5	Mutual L. Assur.	Waterloo, Ont.
Feb. 9	Mtl. C. & D. Sav. Bk. .	Montreal
Feb. 10	Candn. Fire Ins.	Winnipeg
Feb. 10	Candn. Indemnity	Winnipeg
Feb. 10	Royal Trust	Montreal
Feb. 10	Sun Life Assur.	Montreal
Feb. 11	Huron & Erie Mtge.	London
Feb. 11	Northern Trust	Winnipeg
Feb. 12	Excelsior Life Insur. ...	Toronto
Feb. 13	Dom. Life Assur. .	Waterloo, Ont.
Feb. 23	Montreal Life Ins.	Montreal
Feb. 24	Argus Corp.	Toronto
Feb. 24	Confederation Life	Toronto
Feb. 26	Bell Telephone	Montreal

Bond Tenders

13 noon, Jan. 22, 1948, Dominion of Canada Treasury Bills, payable Apr. 23, 1948. $75,000,000, dated Jan. 23, 1948.

New Highs & Lows

During the week ended Jan. 17, 6 new highs were recorded among the "general" stock exchanges, and 43 new lows. In the mining group there were two new highs and 38 new lows. No new highs and one new low were recorded in the oil stocks.

GENERAL

New Highs—1947-48

Circle Bar Knitting	Imperial Oil
Enam. & Heat.	Ott. Lt. & Pwr.
Guaranty Trust	Winnipeg Elec.

New Lows—1947-48

Alum. of Can. pf.	How. Smith Pap. pf.
Argus warr.	Hotel LaSalle
B. A. Oil pf. 3¼%	Imp. Tobacco
B. C. Elec. 4% pf.	Int. Bronze pf.
Can. Bread pf.	L. of Woods Mill.
Can. Steamship pf.	McCabe Grain B
Can. Celan, $1 pf.	Nat. Breweries pf
Can. Food Prods. pf.	Ogilvie Flour pf.
Can. Gen. Elec.	Price Bros. pf.
Can. Ind. pf.	Quebec Power
Can. Marconi	Reitman's pf.
Can. Oil 8% pf.	Rivers. Silk Mills A
Cons. Bakeries	Do. B
Consumers Glass	Royal Bank
Dom. Bridge	Saguenay Pwr. pf.
Dom. Fabrics 1st pf.	St. Lawrence Pap. 1st pf. new
Dom. Foundries rts.	Simpsons pf.
Eddy Paper	N. Slater pf.
Gen. Prods. A	So. Can. Pwr. pf.
Goodyear Tire pf.	Steel Co. of Can.
Gord. Mackay B	Geo. Weston pf.
Halifax Ins.	

MINING

New Highs—1947-48

Waite Amulet	Yellorex

New Lows—1947-48

Alger	Louvicourt
Amer. Neph.	Lunward
Anglo-Rou.	MacDonald
Aquarius	MacLeod
Armistice	McMarmac
Aunor	Mining Corp.
Boycon	N. Marlon
Central Pat.	Nib Y'fe
Chimo G.	Norsemen
Delnite	North Can.
Goldora	Pickle Crow
Hard Rock	Regcourt
Hedley M.	Roybar Chl.
Heva G. M.	Rupununi
Howey G.	Sladen Mal.
Hugh Mal.	Sylvanite
Lake Fortune	Tombill
Lingside	Wekusko
Little L. L.	Winora

OILS

New Lows—1947-48

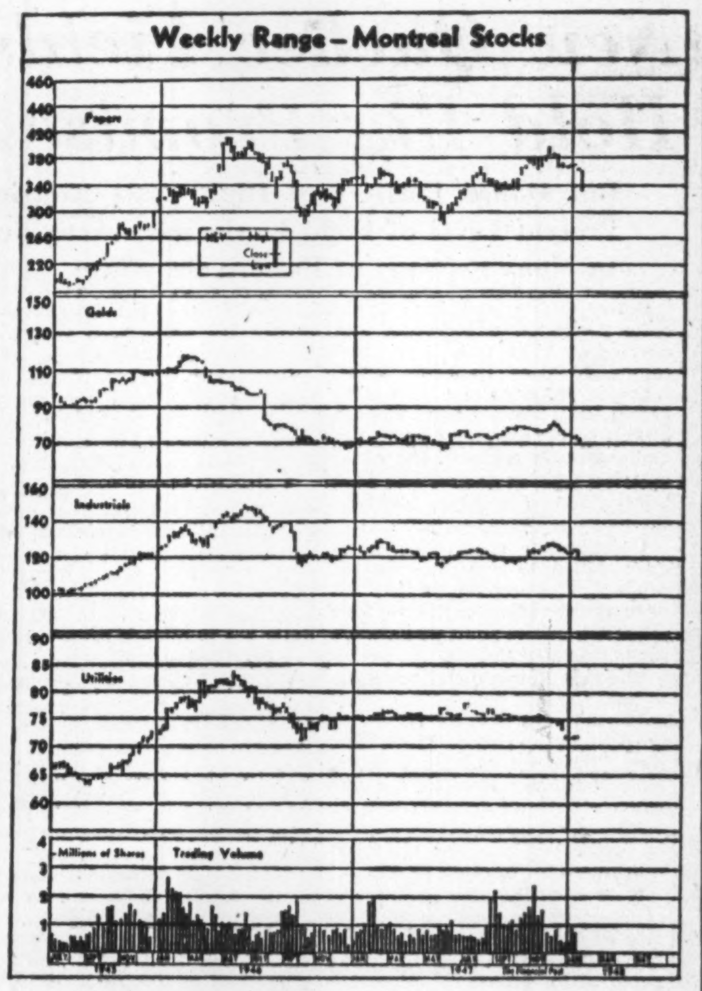
Roxana

Silver Miller Ore Sales Run $50,000

The latest shipment of 11½ tons of high-grade ore by Silver Miller Mines to Temiskaming Testing Laboratories has brought in about $50,000, President John Tovell informs The Financial Post. Additional underground development is being carried out before a definite decision is made regarding size of the mill to be erected on the property this year.

After ore shipment stockpile on surface amounted to around 3,600 tons which will be available for initial treatment in company's own plant.

President Tovell estimated net working capital at around $100,000 at Dec. 31, 1947. Current expenses are running around $8,000 monthly.



OIL PRODUCTION

Lloydminster Well Drilling Showed 300% 1947 Lift

From Our Own Correspondent

CALGARY—Lloydminster, Canada's "poor man's" oil region, came into its own in 1947. Drilling activity increased by 300% compared with the former record year of 1946, while deliveries of crude oil increased by about 400%.

Lloydminster is a 35-mile long and up to 20-mile wide region containing to date four shallow oil pools, Blackfoot, Lloydminster, Lone Rock and Dina. The molasses-thick black oil (gravity range 10 to 20 degrees API, with bulk of production 15 to 16 API gravity) comes from sands in the Lower Cretaceous, at depths from 1,750 to just over 2,000 ft. Cost of drilling, casing and equipping productive wells averages about $20,000. Dry holes, inevitable in the exploration and development of a field, can be written off to the tune of as little as $7,500.

The combination of low cost drilling, development of a big oil reserve, and growing recognition of the value and uses of "black oil" made the Lloyd area the "poor man's" oil field.

The year 1948, it appears, will see a continuing of that expansion.

The full data on December oil deliveries are not yet on hand, but it appears that the Lloyd area will show net oil deliveries of between 830,000 and 840,000 bbls. for the year 1947.

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Leduc's 10-month Record

Alberta's Leduc oil field completed its first 10½ months of production on Dec. 31. Oil recovery in this period was 372,450 bbls. Leduc had only one oil well—Imperial-Leduc No. 1 discovery—during its first three months. Then came the Imperial Nos. 2 and 3, tapping the D3 zone underlying the D2 horizon which gave the original discovery. Since then, oil production — and the number of producing wells —has been climbing steadily.

In December, 28 wells made oil. They delivered a total of 99,874 bbls., or an average of 3,222 bbls. per day.

Imperial Oil, discoverer of Leduc, had 21 wells producing by the end of December. In that month these wells produced 65,412 bbls. to raise their cumulative yield to 299,891 bbls. Independents had 7 wells producing by the end of December, yielding 34,462 bbls. in that month, to raise cumulative to 72,559 bbls.

So far successfully completed in January are: Imperial-Leduc Nos. 23, 25, 27 and 28; Central Leduc Pyrcz No. 2; Atlantic Oils-Leduc No. 2; Globe-Leduc West No. 4.

• • •

Oil Price Helps Anglo

Rising oil prices have far more than offset declining production from the Turner Valley wells owned or controlled by the Anglo Canadian Oil Co. During the 11 months to Dec. 31, 1947, Anglo Canadian wells delivered 224,630 bbls. of oil, a decline of 36,000 bbls. compared with the same 11 months of 1946 (260,674 bbls.).

Despite the lower deliveries, gross revenue climbed to $654,592.49 for the 11 months to Dec. 31, 1947, a gain of over $103,000 compared with the same period in 1946 ($551,323). The average gross return per bbl. in 1947 was $2.914, some 80c. per bbl. more than the average return in 1946.

• • •

Home Tries to West

Home Oil Company Ltd. has moved quarter of a mile west of its line of better-than-average North Turner Valley producers for a new trio of wells.

The three sites are now being readied for drilling, using rigs from the three recent Home successes. All are in section 18 twp. 21 rge. 3w5.

• • •

Gulf Well Interesting

Canadian Gulf's Pincher Creek No. 1 is still at 11,927 ft., according to official report, and conditioning mud. While official confirmation is lacking, it is understood that the well is waiting high pressure control equipment, and that formation tests will be run following its arrival and installation.

Rupununi Work Giving Results

In a new program calling for exploration of areas indicated as gold-bearing from soil tests, Rupununi Gold Mining Co. has already secured definite indications of gold deposition "in place" in two new locations, a Jan. 16 report states.

In the Mazoa Creek area latest surface work has revealed widespread gold deposition with possibility of either lenses of high or a low tonnage of lower grade for open-pit mining. The zone is indicated for a width of 150 ft. and a length of at least 750 ft. One trench which runs with the general strike gave 1.29 oz. over 24 ft. along the foot of the east wall while the other wall gave 1.04 oz. over 24 ft. A deep diamond drill hole is now being put down to test this area.

1.11 oz. Over 3 ft.

Putting down of a hole under No. 4 zone which was indicated for a length of 2,000 ft. in surface sampling resulted in the intersection of a definite mineralized quartz vein with 3 ft. of core starting at 402 ft. averaging 1.11 oz. gold per ton. Further drilling is planned to test possible extensions of this zone.

A drill hole is also being drilled at a location 1,000 ft. north of Mazoa Creek to test another zone indicated by surface soil sampling.

Two new concessions have been added to the company's holdings recently — a 1,675 sq. mi. mica concession; and a 52,200-acre gold concession in the Barima area covering a location where "pork knockers" mined surface gold values years ago.

Quemont Order 2,000-ton Mill

Design of the 2,000-ton concentrator and cyanide plant of Quemont Mining Corp. has been completed and major equipment ordered, President J. H. C. Waite states. Good progress is being made on excavation of plant buildings and foundation work for mining plant and shops at No. 2 shaft has been finished.

Diamond drilling from 1,800-ft. level station has intersected marginal copper-gold values in a folded zone 200 ft. north, northwest and west of the shaft. Another intersection 80 ft. southwest of the shaft is ore grade. Diamond drilling on the 900-ft. level earlier this year disclosed the folded zone but no values were cut. Drilling has been temporarily discontinued until completion of station cutting and other lateral work from 1,080 station.

Five vertical holes drilled from the 900-ft. level intersected ore at depths from surface of 1,888, 1,952, 1,882, 1,970 and 1,984 ft. respectively. A hole drilled previously about 200 ft. west of this section gave ore to a vertical depth of approximately 2,130 ft.

The company has been continuing mine preparation from No. 1 shaft on 200 and 900 levels and the No. 2 shaft has been completed to 1,142 ft. Levels are established at 200, 320, 440, 560, 720, 900 and 1,080 ft.

EL SOL GOLD MINES has received payment for Dec. 1 installment of $10,000 comprising 33,333 shares at 30 cents. Issued capital—2,176,619 shares.

We announce the retirement as a partner of this firm of
Mr. W. B. Milner

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S. M. MacKay — H. M. V. Weller
G. A. Taylor — E. R. Pope

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Eureka Crosscut Under Way on 6th

The main crosscut on 6th or 2,250-ft. level, designed to cut ore intersected in drill holes B, C, D and E, has got under way at the Nevada property of Eureka Corp. Sufficient experienced labor and equipment now available, are expected to permit rapid progress in the drive.

The company is installing a control gate in the main crosscut to limit the flow of water to the capacity of the pumps. As only a small flow of water was encountered at the intersection of the Martin fault 120 ft. west of the shaft on the 5th level, it is expected that similar conditions will be found when this fault is encountered in the 6th level crosscut at about 250 ft. southwest of the shaft.

Orders have been placed for about half of the equipment which will be necessary to adapt the Mt. Hope mill to Eureka type ore. The remainder of equipment is expected to be ordered this month, and work to place the mill in shape will probably be started late this month.

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Loading SAINT JOHN

M.V. "Benny"* Feb. 4/8 for La Guaira, Puerto Cabello, Maracaibo, Venezuela; Barranquilla, Colombia; Cristobal, Canal Zone; Belize, British Honduras. * Vessel calling at San Juan, Puerto Rico en route.

S.S. "Shakespeare Park" Feb. 19/24 for Port-au-Prince, Haiti; Ciudad Trujillo, Dominican Republic; La Guaira, Venezuela; Curacao, N.W.I.; Barranquilla, Colombia.

For further information, apply to Saguenay Terminals Ltd., 1700 Sun Life Bldg., Montreal. (Telephone BElair 1571).

SAGUENAY TERMINALS

New Quebec Fields Hold Big Promise

But Dollar Parity and High Costs Restrict Present Level of Field Exploration Activities In Many Sections of Eastern Province

Dollar parity and high labor costs restricted exploration and development in promising new camps such as Bachelor Lake, Ligneris, Opawica and New Quebec in 1947. The same set of conditions had some effect on financing work in some of the older outlying Quebec camps, like Mud Lake, East Rouyn, Cadillac, Chibougamau and Duverny.

Unfavorable conditions, however, failed to stop one former producer from reopening its plant or to dim the hopes of at least four other companies from considering plans for early milling.

The East Rouyn district appears to hold the best prospects for new gold producers with its extensively developed Hosco, Heva and New Rouyn mines. Duquesne is moving rapidly towards the day when a definite decision will be made as to erection of its own mill or completion of some other arrangement for treating its ore.

Gulf Lead, holding claims and concessions on acreage on east side of Hudson Bay in New Quebec, made initial step in future exploration program. Materials and supplies were transported to the property, but due to late arrival of equipment and early freeze-up only a limited amount of drilling was completed. Previously the company obtained showings of lead and other minerals.

Completion of the highway into the remote Chibougamau area and some improvement in financing of speculative issues this year would bring about a marked revival of development interest in the district. The Pioneer-Quebec Smelting financed Cuvier will probably resume its general exploratory program as will such companies as Obalski, Chibouwica Gold Fields and others.

One of the pioneer operators in Duverny twp., Goldvue Mines, has been pursuing an active underground program on 190 and 350-ft. levels. Duvay has been attacking its property from both surface and 100-ft. level, but assays obtained so far have been rather erratic and company is considering bulk sampling to determine grade to be expected by development.

The Bachelor Lake area, some 60 miles north of Senneterre, jumped into prominence in latter part of 1946 through a strike made by O'Brien Gold Mines. The showing has since been tested by trenching and drilling and at last report showed a length of 220 ft. and average grade of 0.442 oz. gold across 5.2 ft.

Dome Exploration-St. Joseph Lead Co. team plans utilizing a heavy drill this spring on its silver-lead Bachelor Lake discovery. Sampling of the showing by a small X-ray machine has confirmed indications of ore as shown in surface trenching. Mistassini Lead Co. has made a silver-lead-zinc discovery on its holdings west of Dome, while others controlling acreage in the area include Bachelor Lake Gold Mines, McWatters Gold Mines, Conwest Exploration, Mining Corp., McIntyre Porcupine, Batch-River Gold Mines, International Mining and J. M. R. Corbett. Anglo-Huronian is reported to have made an important gold discovery 100 miles west of Amos, Que., at Twining Creek.

Belleterre Quebec Mines has been opening good ore on all levels from 750 to 1,500 ft., but shoots on deeper levels are much shorter than above 750 ft.

A slightly higher tonnage of ore was milled in fiscal year ended Mar. 31, 1947, when reserves were sufficient for about 4½ years' milling at 1947 rate. Plans for increasing mill capacity from existing 400 to 650 to 700 tons daily are in distant future.

Aubelle Mines acquired a substantial share interest and management control of Quebec-Labrador Development Co. in 1947, following closure of its Mud Lake property. Extensive surface exploration, diamond drilling and underground work over a three-year period, failed to prove commercial ore.

Hosco Gold Mines development at the turn of the year gave evidence that a fair-sized tonnage of high grade ore may be eventually established from west workings on second and third levels. The 175-ton daily capacity mill, purchased from McWatters Gold Mines for $100,000 cash, is available for milling, and a go-ahead signal for initial production is expected shortly.

Heva Gold Mines is driving a crosscut north from its shaft on the bottom or 525-ft. level which is designed to cut the vein in the footwall of the "Cadillac shear" in another 100 ft. Taking lower grade shoots into consideration, work on upper levels has proved a length of 513 ft. averaging 0.275 oz. over 7.38 ft. on 275-ft. level and 433 ft. averaging 0.385 ft. over 8.74 ft. on 400-ft. level. Heva has been unsuccessful so far in attempts to arrange production plans.

New Rouyn Merger Mines has partly developed 140,000 tons of ore averaging better than $7 per ton in underground work and by March hopes to bring estimates to 200,000 tons that would warrant giving consideration to mill plans. Officials are desirous of proving vertical continuity of ore from first to bottom level before announcing mill plans.

A new vein intersected on second level at point 75 ft. north of shaft gave $10.90 across 14.98 ft. and $6.40 over 10 ft. The vein was only developed for length of 20 ft. at last report but it may have a length of 400 ft.

O'Brien Gold Mines' principal ore news has been establishing presence of No. 14 vein on 1,750 and 2,250-ft. levels and proving continuity of No. 1 vein to 2,875 ft. Shortage of labor has hampered underground work but ore reserves were well maintained in 1947 and over three years' reserves are available at present milling rate.

Consolidated Central Cadillac brought its 300-ton daily capacity mill into operation in late spring, 1947, and poured its first gold brick in July. Daily mill rate is expected to be increased to 400 tons when adequate labor is available.

Pandora Cadillac Gold Mines has made no further plans for reopening its property which has been closed since August, 1946. Resumption of activity is dependent on raising further funds to finance additional underground work before milling could be resumed.

Lapa Cadillac Gold Mines now directs its activities to searching for or acquiring new properties and participating in other companies since ore reserves on its original Cadillac property were depleted. Principal holdings are controlling interest shares in Kingston Silica Mines and Manitoulin Quartzite, both producers and a substantial interest in Lapaska Mines.

Alger Gold Mines has been concentrating development on opening the north vein on the 975-ft. level of its property which lies immediately west of O'Brien. Some small shipments of concentrates were made in latter part of 1947, but no move has been made so far to starting up its 200-ton milling plant.

Consolidated Beattie Mines is steadily increasing its daily mill rate which is expected to reach about 1,500 tons of the 2,250-ton daily capacity by May. Step-up to objective will have a marked effect on earnings due to the government subsidy on costs.

Cons. Beattie resumed partial production from the "A" zone in 1947, following partial removal of clay from underground workings.

Duquesne Mining Co. has been discussing alternative plans for production from its Duparquet holdings. In view of the government subsidy, consideration is being given to the possibility of shipping to Consolidated Beattie. A test shipment to the Cons. Beattie plant returned an average of $18.83 gold per ton and 95.04% extraction.

OTHER OPERATIONS — Central Duparquet has been inactive for some months but plans eventually to extend its shaft a further 600 ft. from existing 1,000-ft. depth. Pitt Gold, adjoining Duquesne on east and west, secured values from 1947 drill program, plans to sink to 1,500 ft. at a later date. Thurbois Mines plans to convert from Diesel to hydro power this summer

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Porcupine Finds New Youth as Big Mines Perpetuate Selves With New Discoveries

While Porcupine is the home of possibly Canada's most stable gold mining operations, the area's big producers haven't been content to "rest on their oars" just because a long and profitable productive career lies ahead—under normal conditions.

Hollinger, Dome and McIntyre, the area's big three, have established a remarkable record for themseves in outlining "new futures" through development of outside properties.

Hollinger, with its controlling interests in Hollinger North Shore Exploration Co. and Labrador Mining & Exploration Co., aims to be one of North America's largest iron ore producers. It already has established profitable production at two outside gold properties—the Ross mine and Young Davidson.

Dome Mines, which has had a fine dividend-paying subsidiary in Sigma Mines for some years, is expected to bring another new subsidiary, Campbell Red Lake, into production. In Quebec, a silver-zinc discovery of consequence has been made in the Bachelor Lake area.

McIntyre Porcupine, which has a profitable dividend-paying subsidiary in Belleterre Quebec, may have an interest in silver production before long with another subsidiary, Castle Trethewey, considering resuming production. McIntyre negotiated on at least one big new gold property in 1947.

One of the most logical places for a gold producer to look for a new mine is adjacent to a new producer. Broulan Porcupine has probably been the most active and successful in this connection.

Some years ago Broulan made Bonetal produce. A 1,000-ft. shaft has now been sunk on the Porcupine Reef property and shipments of ore to the Broulan mill were made in the last four months of 1947. A deal has now been completed whereby Broulan finances development of the Hugh Pam Porcupine property from the Porcupine Reef shaft.

In the middle sector of Porcupine, Midcamp Mines has a property where work is being financed by Hollinger, Paymaster, Preston and Noranda. Further south, Buffalo Ankerite has expanded its mining operations in recent years by acquisition of adjoining properties.

From the standpoint of labor, Porcupine had probably been better off than the average gold mining camp in recent years.

Activities of the main Porcupine operators are summarized below:

Hollinger Consolidated—Earnings of Hollinger showed a further reduction to probably below 25 cents a share in 1947 due to continued difficult operating conditions and increased supply and wage costs. But distinct progress was achieved in the Hollinger North Shore-Labrador program of development of iron deposits. Sufficient work has been done to demonstrate inmmense tonnages of iron ore as the basis of future production plans. Hollinger has also secured 110 claims in the area of the Sullivan mine of Consolidated Smelters and a diamond drilling program is to follow a geophysical survey.

With ability to treat perhaps 2,000 tons of ore daily beyond that treated in the year ended June 30, 1947, Hollinger is one of the companies that may be assisted appreciably under the Dominion's gold subsidy program. Ore reserves average $11.24 a ton against a current average recovery of about $8.25 a ton; it is obvious that the company could step up grade of ore milled as well as daily tonnage. Some time might elapse before the mine could be prepared for the enlarged output. Ore reserves are close to seven years' requirements at 1947 rate of milling.

McIntyre-Porcupine — Earnings have been sustained much better than those of the average Porcupine producer. Profits for the six months ended Sept. 30, 1947, were equal to $1.44 a share compared with $1.16 a share for the same period of the previous year.

Working capital, taking securities at market, totalled $27.4 millions or approximately $35 a share as at Mar. 31, 1947. Included in investment portfolio is a block of over $4 millions of government bonds. An added interest is 1,200,000 shares of Belleterre Quebec Mines.

Issued capital is only 798,000—apparently the lowest for any Canadian producing gold mine, except Buffalo Ankerite.

Dome Mines—Earnings for 1947 were probably within a very few cents a share of the $1.05 a share earned the preceding year. Costs were higher but this was met by a narrow improvement in production. Milling rate is close to capacity. Any increase in earnings will probably originate from treatment of a higher average grade of ore, from larger dividends from subsidiaries, or lower mining costs, rather than from a higher daily mill tonnage. Recovery is averaging $9 a ton compared with $12.76 average back in 1940.

Prospects for improved earning power for the Sigma are bright while Campbell Red Lake, in which a controlling interest is held, appears a good bet for a future producer and dividend payer.

Aunor Gold Mines — Although ore grade in 1947 was below the $12.49 average for 1946, the year was nevertheless a very good one. Earnings were narrowly lower—about 20 cents a share for the year—but development at depth returned highly favorable ore news.

Working capital totalled $1.1 millions as at Jan. 1, 1947.

Buffalo-Ankerite — Consolidation of the company's milling facilities in the north plant by the end of 1946 contributed greatly to greater efficiency at this South Porcupine property. Particularly troubled by the labor shortage, Buffalo-Ankerite has possibly more to gain than the average now that it is disappearing.

Ore reserves were about a year's milling requirements at the beginning of 1947.

Coniaurum Mines — Earnings were hard hit with return of dollar parity in July, 1946; but the subsidy on gold may help the company along the return to normal.

Working capital as at Jan. 1, 1947 totalled $892,498 exclusive of $356,600 of invesments.

Delnite Mines—With over 1,000 ft. of ore opened in the main ore zone at the 2,500-ft. level averaging $12 a ton, this company appears to have a much brighter productive career ahead of it.

Average recovery for 1947 was around the $10 mark—50% higher than in 1946.

Working capital as at Jan. 1, 1947, was $283,234. Earnings will probably be earmarked for some time to come to a restoration of working capital to the former level of $500,000.

Broulan Porcupine — Although its original mine is gradually approaching exhaustion, the company has been carrying on an aggressive program of outside development. Its Bonetal, Porcupine Reef and Hugh Pam trio of properties may easily form the nucleus of a large production operation.

Working capital amounted to $464,948 at Jan. 1, 1947. Not included were $461,629 of investments with an estimated market value of $803,960. The Bonetal operation is self-sustaining, Porcupine Reef may easily become self-sustaining in 1948 and the Hugh Pam Porcupine development is not one that will require great capital outlays.

Hallnor Mines—Earnings were at a lower level in 1947 (14.2 cents a share first half). While ore reserves showed a decline to 475,321 tons averaging $11.90 a ton at Jan. 1, 1947—about 4.5 years' requirements—chances appear favorable for an upward revision of reserves over the next year or so.

The company at the 2,750-ft. level is undertaking development of a drill-indicated ore body to the west of the shaft. Chances for new ore in this section appear encouraging.

aPaymaster Consolidated—From early results, operating profits for the year ended June 30, 1948, may exceed the $127,118 figure for the previous fiscal year. Working capital probably shows some improvement over the $1.4 millions reported at June 30, 1947

While development has been on a scale less than normal, results have been favorable.

Pamour Porcupine — In the western part of its property, this company has better than average drill-indicated ore which may assist the company in improving its operation with the assistance of the subsidy on gold.

Pamour has a large unused capacity which will prove valuable if conditions permit the mining of larger tonnages of ore.

Preston East Dome—This company opened up better than 3,700 ft. of new ore lengths in 1947. Several new ore sources were tapped; ore picture is broadening.

Production showed little change in 1947. While the labor situation proved better during most of the year, labor costs were higher.

Bonetal Gold Mines—Production was maintained at a rate of $35,000 a quarter in 1947. The company is managing to continue its exploration program by the use of rigid economies.

While reserves of ore ahead of the mill have never been large, work continues to turn up sufficient ore to meet milling requirements.

Other Operations—Exploration is not on an extensive scale in Porcupine but work is proceeding at a number of properties. Naybob has carried on considerable drill exploration after dewatering its workings. Porcupine Peninsular sank a winze for a depth test of its property but results have not been encouraging. Goldhawk Porcupine was "out of luck" in its underground program but renewed surface drilling has returned a number of ore intersections. Aquarius Porcupine has completed its shaft for a testing of indicated ore zones.

Better Labor Supply Benefiting Bralorne

Bullion production at Bralorne Mines in 1947 was substantially above 1946 figures when operations were seriously hampered by the miners' strike. Output amounted to $2,108,855 from treatment of 133,047 tons of ore, an average recovery of $15.85 ($1,210,226 from 64,534 tons treated and $18.75 gold)

Bullion output was $626,850 from 38,634 tons milled and average recovery $16.23 in final 1947 quarter (no comparable figures in strike period 1946).

Work was started on the crosscut at the Yalakom prospect in October and over 1,200 ft. of advance had been made by year end towards objective of possibly 2,500 ft.

Manpower situation showed a decided improvement at the main property in the final quarter of the year. If this condition continues company expects mill capacity to be reached in a few months.

Broulan and Porcupine Reef Make Deal With 'Hugh Pam'

Exploration of the property of Hugh Pam Porcupine Mines from the 1,000-ft. shaft of the adjoining Porcupine Reef mine has been arranged through a joint agreement of Hugh-Pam Porcupine Mines, Porcupine Reef Gold Mines and Broulan Porcupine Mines, Bert W. Lang, Broulan president, reports.

Crosscuts on the Reef property are now within a few hundred feet of the Hugh-Pam line on the 500, 650, 800 and 970-ft. levels and the Reef company will carry on development of the Hugh Pam property at cost plus allowances for depreciation of plant and for use of its shaft and underground workings.

To Buy Shares

Broulan will finance the work through the purchase of treasury shares, based on an option of 750,000 treasury shares of Hugh-Pam at 10 cents per share and 250,000 shares at 20 cents. Broulan agrees to mill up to 200 tons of ore per day at cost plus 50c per ton allowance for depreciation with provision for the handling of higher tonnage.

The Hugh-Pam property has been extensively explored by surface diamond drilling which yielded some encouraging results. These areas will be explored to a depth of over 1,000 ft. Work will be under way within a month.

When the Hugh-Pam property has been brought into profitable production, operating profits will be divided 55% to Hugh-Pam, 25% to Broulan and 20% to Porcupine Reef.

Osulake Clicks At 300 Level

Two out of three initial exploratory holes put out at the 300-ft. level by Osulake Mines, O'Sullivan Lake area, Ont., have returned good ore intersections, President Donald F. Hurd reports.

Hole 2-1, the first of the series, cut both ore zones. The south zone showed a width of 4.3 ft. averaging $54 while the north zone averaged $14.70 for 7.5 ft.

Hole 2-2, the second hole, returned two ft. of core in the south zone averaging $94.20 while three ft. in the north zone averaged $13.30. The third hole cut both zones, but values proved low at point of intersection.

From information secured in the drilling, the two ore zones appear to be merging to the west

No less than 76% of all holes drilled on the ore zone have shown visible gold, the percentage underground being 83%. In a recent mill test run of Osulake ore the straight cyanidation method indicated a very free milling type of ore with a very high recovery.

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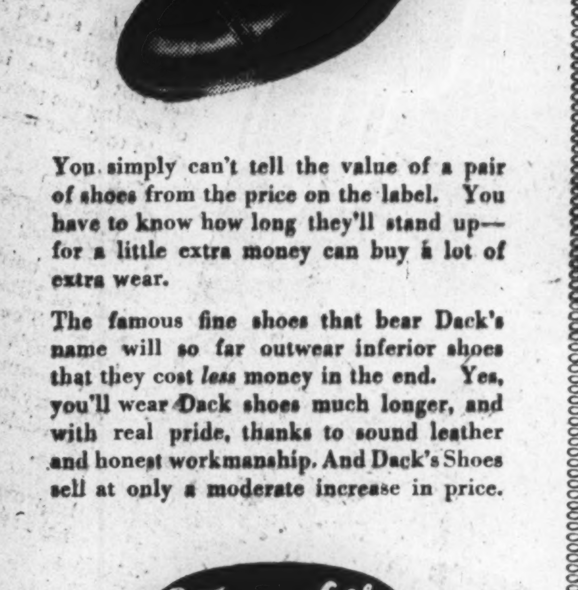

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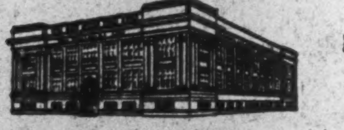

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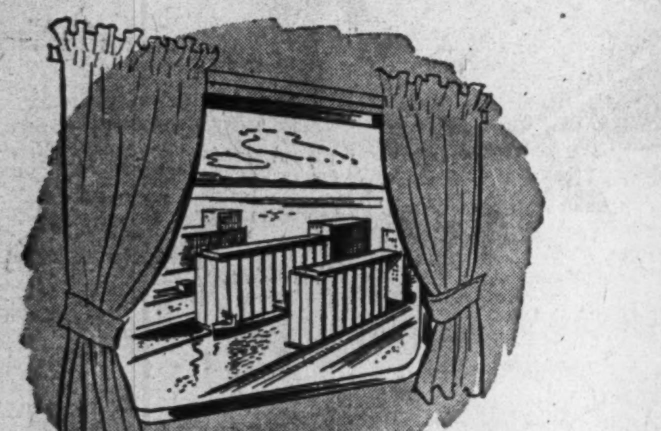

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Sudbury Answers Call of Greater Metals Demand Turns Out 22.6% More Nickel During Year 1947

Sudbury—the world's greatest source of nickel—turned out a DBS estimated 235.6 million lbs. of nickel in 1937, a record peace-time total. Closest previous peace-of nickel in 1947, a record peace-millions of lbs. were shipped.

A tremendous level of industrial demand in the United States and Canada offset relatively slow postwar recovery in Europe last year—brought production almost within 50 million lbs. of the wartime peak of 1943, a year 288 million lbs. were turned out.

While Sudbury is Canada's largest producer of copper, growth of the area's mining industry is best illustrated by the increase in the area's production of nickel. Combined production of International Nickel and Falconbridge, the area's two producers, looks like this:

Year	Output lbs.
1927	66,798,717
1928	96,755,578
1929	110,275,912
1930	103,768,957
1931	65,666,320
1932	30,327,968
1933	83,264,658
1934	128,687,340
1935	138,516,240
1936	169,739,393
1937	224,905,046
1938	210,572,738
1939	226,105,865
1940	245,557,871
1941	282,258,235
1942	285,211,803
1943	288,018,615
1944	274,598,629
1945	245,130,983
1946	192,124,537
1947 (est.)	235,561,113

Labor Shortage Cut Output

Actually output would have been considerably greater in 1947 save for a shortage of labor. Although International Nickel Co. was offering as high or higher wages than any other mining organization in eastern Canada, the labor shortage was so acute that the company just couldn't seem to get the men it needed. Inco advertisements for miners were to be found in Toronto daily papers for months.

But the prospect for increased production in the current year appears remarkably encouraging. There appears to be available a considerable supply of men willing and anxious to make a living in mining. With DPs arriving in Canada, mining industry officials feel confident that labor won't be the industry problem it was in the year just ended.

Save for two minor price adjustments reflecting an adjustment of price for contract buyers; and a U. S. tariff reduction—the price of nickel remains unchanged: 35 cents a lb. In an era of sharply rising base metal prices, the managements of International Nickel and Falconbridge, the two nickel industry competitors, have done remarkably well in holding down the cost to the consumer. Undoubtedly, the popularity of nickel as a metal has been enhanced by the fact that consumers can lay plans and know in advance what this raw material will cost!

The sharp increase in the price of copper, discussed elsewhere, has unquestionably been of assistance to the nickel mining industry in meeting increased costs. And increases in cost in nickel mining have been just as sharp as anywhere else. Electric power is practically the only item which hasn't gone up. The new Inco oxide sinter plant, which may already be operating, will furnish intermediate sinter product for the company's nickel refineries and marks an important advance in nickel metallurgy.

Current operations of Canada's nickel producers are summarized below:

International Nickel Co.—Earnings were probably close to $2 a share in 1947 with nine months' earnings of $1.51 a share (including 45 cents for the third quarter). Declaration of a year-end extra of 40 cents a share, payable Dec. 20, 1947, brought 1947 distributions to $2.00 a share. Working capital was probably slightly improved in 1947; $138 millions of working capital was reported at Jan. 1, 1947 and this had increased to $147 millions nine months later.

Starting off 1948, Inco is enjoying a much higher price for copper than prevailed in the same period of 1947. There appears to be no let-up in the demand for nickel. This is one of the metals on the U. S. list for stockpiling and there is little doubt but what the U. S. Government would be interested in picking up any extra nickel the company might be able to produce

Inco has been active in maintaining its strong forward ore position by a broad development program at its mines. It has also been carrying on exploration for new nickel deposits using aerial magnetometer surveys, both on its Sudbury holdings and in the Lynn Lake area where large acreage holdings have been acquired.

Falconbridge Nickel Mines—A decision was made mid-1947 for Falconbridge to begin underground development of one of the several outside nickel mines outlined in recent years. Opening of the McKim property and development of the Falconbridge mine at depth are expected to take care of ore requirements into the distant future. Nickel and copper are the only present Falconbridge products of consequence but pilot plant work is being undertaken in Norway to determine if the cobalt values contained in the company's ore can be recovered.

Earnings for the first nine months of 1947 were at an annual rate of 28 cents a share. Development expenses with respect to the McKim property are to be charged directly to operations, may tend to retard earnings over the next few years. The company continues in a strong working capital position with $8.3 millions of net current assets reported at Sept. 30, 1947.

Silver Camps Awakening As Price Attracts

The silver camps of Canada are coming into their own this year. Long-slumbering-Cobalt — awakened by a 75c-an-ounce price for the "white" metal—will likely see both a new mill and smelter in the camp; and witness the reopening of two former producing plants.

British Columbia and the Mayo district of the Yukon have "thrown the switch" on old milling units and started shipping silver concentrates to smelting plants.

The economy of the Pacific coast has already been strengthened by silver production from operating gold camps and augmented by mint returns of silver-lead-zinc producers that have reopened on strength of higher market prices.

Highland-Bell, Western Exploration Co. and Silver Giant have been shipping silver ore for smelting. Silver Standard, Torbrit Silver, Big Four and Utica Mines are considering or have committed themselves to treatment plants. Metalsmith Mines, Silver Ridge, Silversmith, Slocan Rambler, Cansil and a host of others have been carrying out advanced development.

Miller Lake O'Brien continues to produce steadily in the old Cobalt camp. Silver Miller has engineers engaged in designing a mill for its property from which several shipments of high-grade ore have been made. Silanco Mining has completed plans to finish its 15-ton smelter

Other Cobalt operators such as Windsor-Cobalt, Harrison-Hibbert, Silco, Mayfair Mines, Durex, Fairfax, Bigwin Prospecting, etc., are active in pursuit of profitable ore. Castle-Trethewey, holding important acreage in the Gowganda district where over $3 millions were produced to 1931, is debating the possibilities of reopening. It has some reserves left.

Here's how some of the properties look:

Torbrit Silver Mines—The 300-ton mill of this B. C. property is expected to swing into operation this year on former Toric property of Britannia. Mining Corp. of Canada is supplying funds.

Highland-Bell—Installation of washing and sorting plants has enabled company to raise grade of ore shipped to Trail smelter. Underground results are encouraging.

Silver Giant Mines—Ore shipped from old dumps in 1947 and main ore body proved to depth of 900 ft.

Silver Standard Mines—A 50-ton mill is being designed for B. C. property where interesting results are being secured on 1,300-ft. level.

Big Four Silver—Main work confined to surface diamond drilling and exploration.

Keno Hill Mining Co.—Current daily mill rate of 80 tons is expected to be raised to 125 to 150 tons by early summer. Capital reorganization is under way to provide additional working capital.

Silver Miller Mines—Decision expected shortly to erect a mill to treat steady flow of ore coming from old Lumsden workings. Periodic shipments of high-grade ore are being made from dump to fianance operations; the last 11½ tons was valued at about $50,000.

Silanco Mining & Refining—Installation of 15-ton smelter is expected to be completed this year at reported cost of $1.5 millions. Several of company's properties and two milling units are to be reopened.

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The Financial Post

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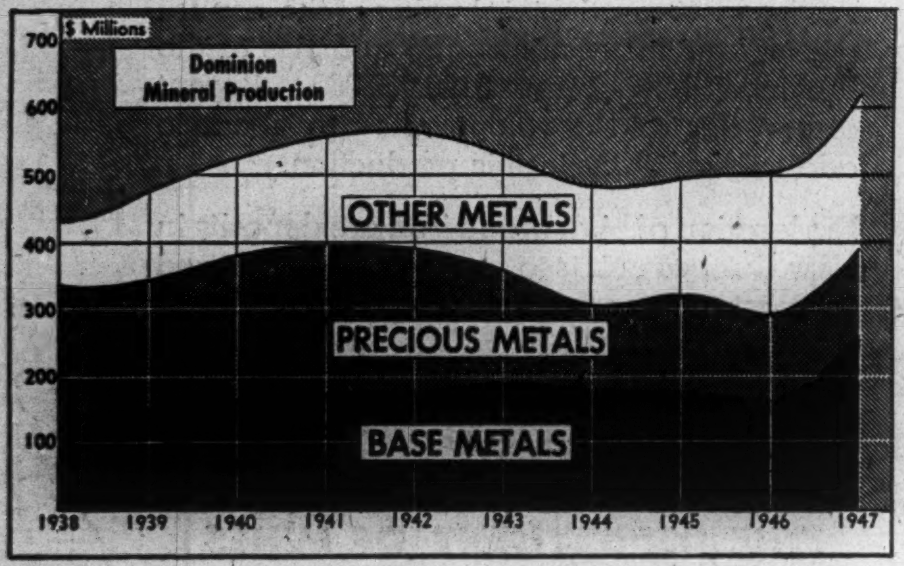
Mines Key Bulwark on Dollar Front

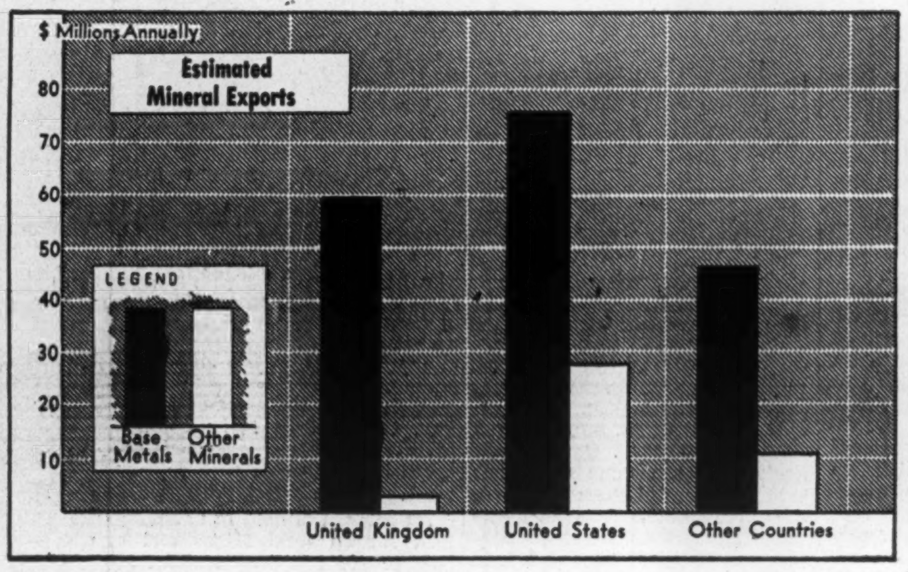
Soaring Mineral Output . . .

Canada pushed past its 1942 $566.8 millions wartime record in 1947, turned out $619.1 millions of new mineral wealth. Can output forge still higher? The United States, where mining started earlier but with an area smaller than Canada, is turning out close to $10 billions a year of mineral wealth!



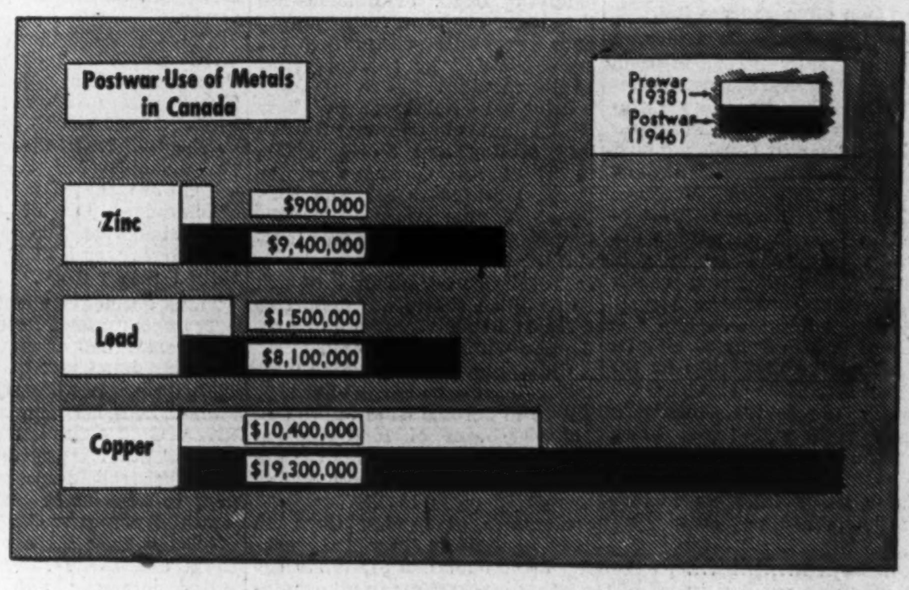
Brings in U. S. Dollars . . .

Mineral production forms a major Canadian producer of U. S. dollars. Besides precious metal sales, base metals, asbestos and other mineral exports to U. S. provide an estimated $104 millions of U. S. dollars a year. Half our U. K. exports are also paid in U. S. funds. The U. S. wants still more base metals.



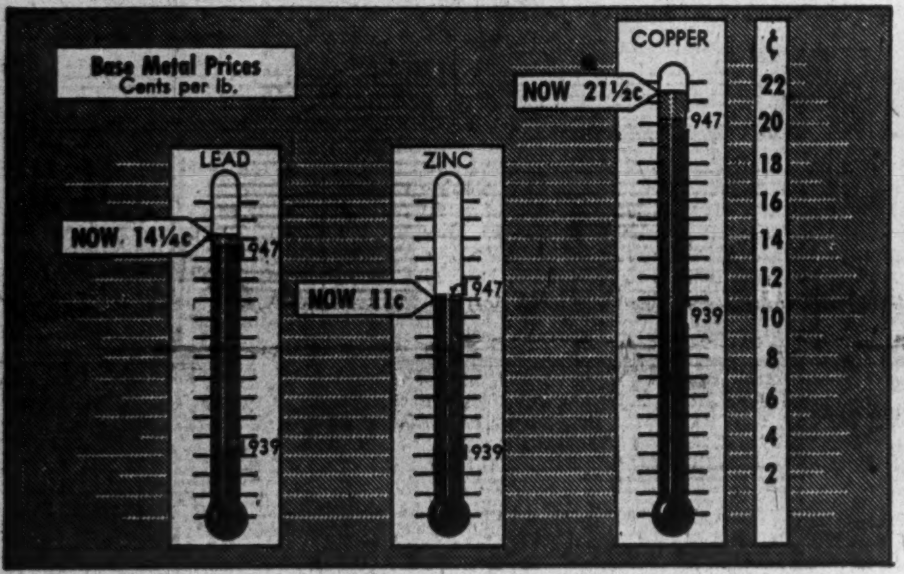
While Metal Use Here Grows.

More and more of Canada's mineral production is used right at home. But a big share even of that goes into value-enhanced products for export to U. S. Tonnage of zinc used at home has quadrupled since prewar; lead use has tripled. New nonferrous metal fabricating facilities are currently being established.



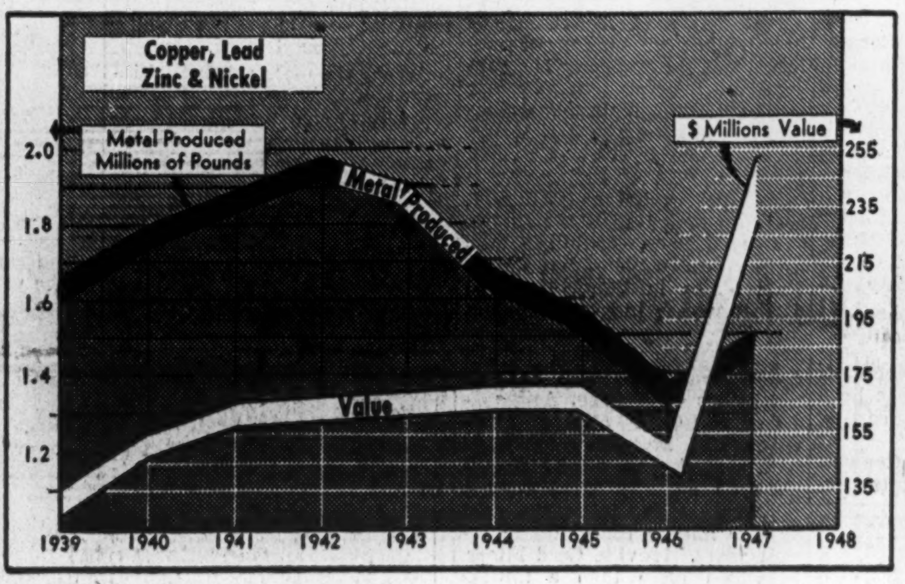
Higher Base Metal Prices . . .

A metal-hungry world engaged in reconstruction has pushed base metal prices up to an unparalleled price "plateau." Nickel is the exception that proves the rule — unchanged at 35 cents. Lead, which never averaged over a dime a pound in any year before 1947, sells at 15c. Not since 1916-18 have copper and zinc averaged so high.



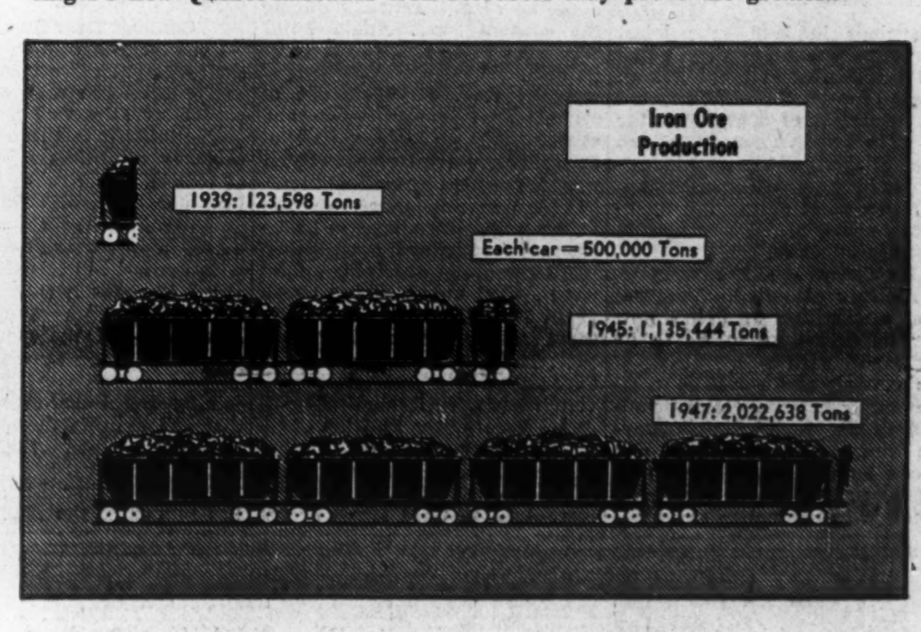
Hoist Base Metals Value . . .

Canada in 1947 had the phenomenon of a sharply mounting value of base metals in a period of relatively unchanged output. But physical volume is now growing too with a more adequate supply of labor at our base metal mines. New properties — Quemont, Sherritt Gordon, Reeves Macdonald, Macdonald Mines, etc. — may supplement present producers.



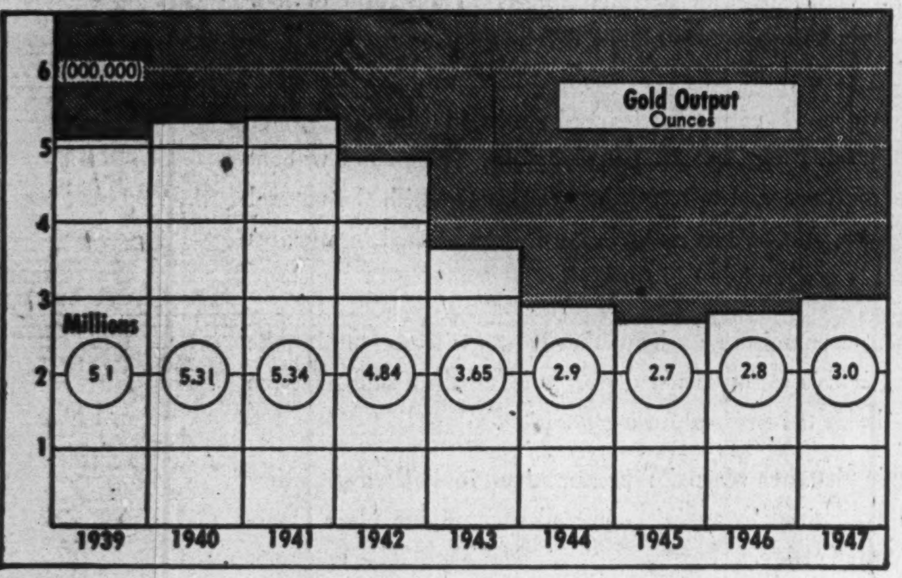
And Iron Ore Output Grows.

To meet our U. S. dollar shortage, Dominion is expecting assistance from iron mining whose $6.2 millions 1947 output was largely marketed in U. S. Canada's leading producer, Steep Rock, aims to triple output; Algoma Steel Corp. adds new capacity at its great Helen mine. But Hollinger's new Quebec-Labrador iron resources may prove the greatest.



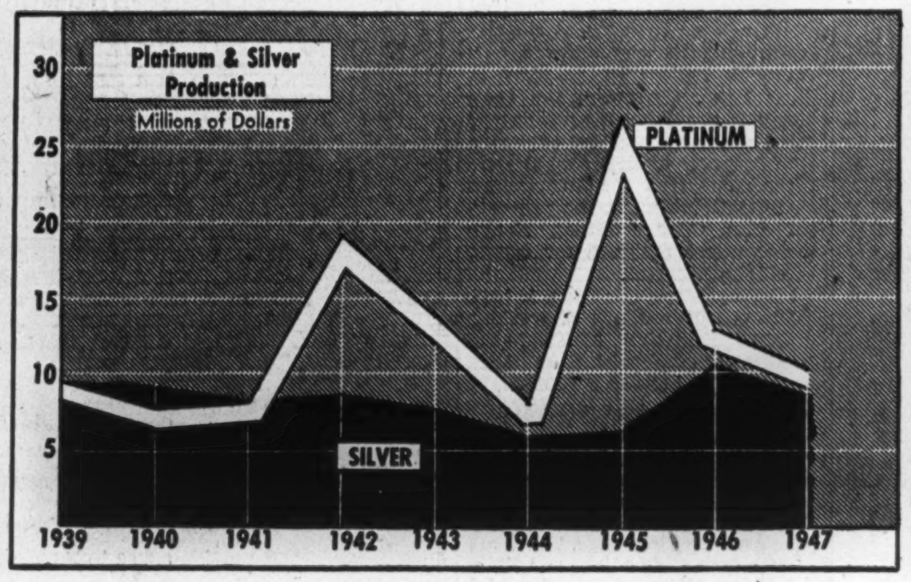
Gold Output Turns Higher . . .

Despite war-born difficulties, Canada's gold mining industry stands second in output only to that of South Africa (excluding the U.S.S.R.). Canada produces twice as much gold as all South America, three times as much as Australia, six times as much as Europe. The Dominion's output increased 7.2% in volume, 2% in value, in 1947.



Platinum, Silver, Decline . . .

While both platinum and silver were produced in smaller quantities in 1947, prospects for increased production of both are bright. Platinum metals are produced as a byproduct of nickel-copper production. Output is thus governed by production ratio at Inco. New silver mines are now getting into operation.

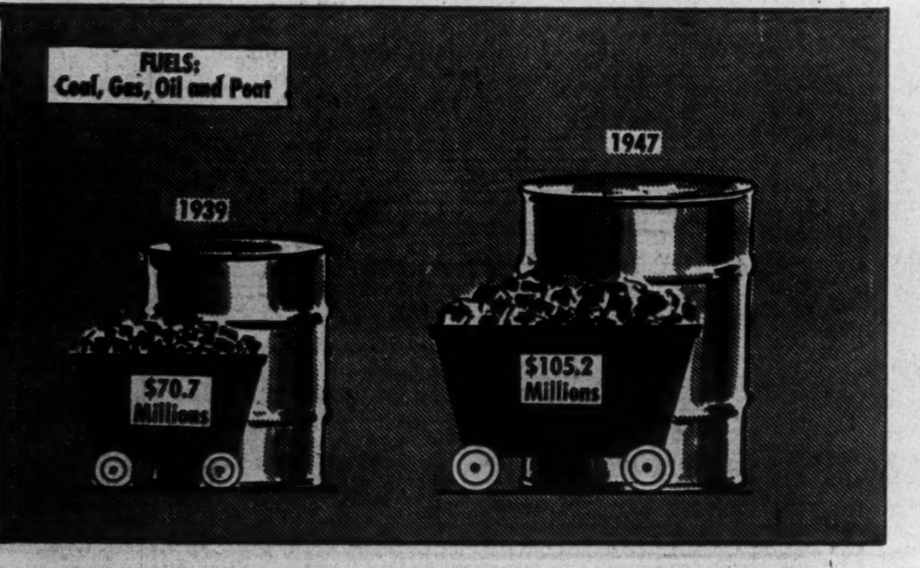


But Precious Metals 'Aided.'

New forces are aiding Canada's precious metal mining industry. A subsidy on increased costs; DPs from Europe; special depletion for older mines; a three-year tax holiday for new mines — these are a few of the "aids" afforded gold mining. Prices of $66 to $69 for platinum, 75c for silver, are real "incentives."

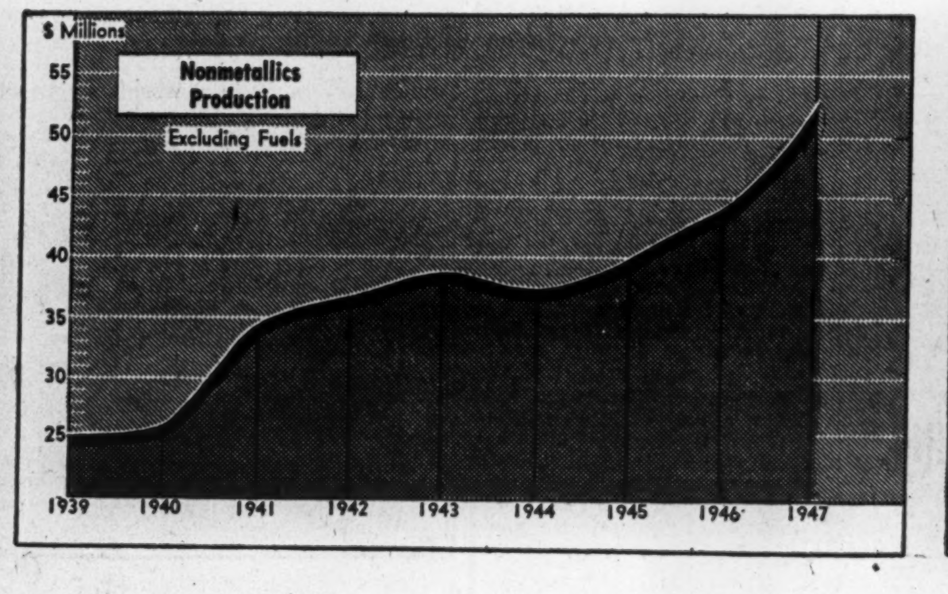
Fuels Value Climbs Swiftly . . .

Increased prices for coal and petroleum caused continuation of upward trend of fuels' value in 1947 even though physical volumes showed little change from previous year. Coal production value — greater than that for petroleum, natural gas and peat combined — amounted to $76.1 millions in 1947, DBS estimates. Petroleum output is growing.



Nonmetallics Set Records . . .

Asbestos accounts for 60% of output of nonmetallic minerals, exclusive of fuels. All leading items — asbestos, gypsum, salt, peat moss and quartz — showed increases in value of output in 1947; only one showed smaller physical volume. New salt plants are expected to boost salt output above present $3.7 millions' annual output.



And Building Products Mount.

Cement, sand and gravel, clay products, stone and lime — the five divisions in the structural materials field — all showed increases of 4 to 15% in 1947 on value basis. Physical volumes were higher too, right along the line. The $72.7 millions total for 1947 is the highest on record, double 1939's $35.4 millions.

Mine Financing Companies Benefiting From Large Base Metal Shareholdings

Because they are large shareholders in numerous base metal enterprises, mine financing companies generally have not been quite as hard hit by rising costs and labor shortages as the average gold mine. Added costs of equipping new mines have in several instances proven an unexpected drain on financial reserves but the continuity of all major programs has been maintained.

The varied difficulties that have caused—and are causing—a number of new gold properties to close down (where finances were being provided privately) may indirectly present new opportunities for mine financing companies. They are the companies with the funds and background of experience to take over when other sources fail.

Ventures House In Order

With major interests in such base metal enterprises as Falconbridge Nickel Mines, New Calumet Mines (through Frobisher Limited), Sherritt Gordon Mines, Lake Dufault, Eureka Corp., and Dominion Magnesium, Ventures Limited has a future well established in base metal mining enterprises as well as in gold mining. When financing conditions for new enterprises became more difficult, the company "set its house in order" by placing its less interesting properties on the inactive list. This permitted the company to meet its financing obligations in enterprises which had been returning very favorable results.

Major share interests include the following:

	Shares*
American Nepheline	1,135,330
Cons. Beattie	509,685
Dom. Magnesium	111,097
Eureka Corp.	298,320
Falconbridge Nickel	2,474,540
Frobisher Exploration	1,536,232
Guayana Mines	198,950
Hoyle Mining Co.	1,678,946
La Luz Mines	1,122,813
New Calumet	187,201
Pascalis Gold Mines	1,475,337
Pelletier Lake	2,140,100
Sherritt Gordon Mines	†318,592
Coniaurum Mines	1,434,000
Matachewan Consolidated	1,866,827
Canadian Malartic	1,384,685

*At last report.
†Plus option on 310,000 shs. at $1.50 a sh.

Earnings in 1946—the latest year reported—were only equal to 12c a share and there was an excess of current liabilities over current assets of $885,496 at the end of that year. There have been substantial additional investments in new enterprises and 1947 saw most of the big financing of newer projects brought to a successful close.

Frobisher Has Producers

Frobisher Limited, Ventures chief exploration arm, has now four important producers to its credit and a fifth is anticipated this coming summer. The company has been largely instrumental in placing Keno Hill and Guayana Mines in production and also placed its Connemara-Zabonkwe Mines properties in Southern Rhodesia in production early last year. New Calumet Mines was placed in production some time ago and there is a prospect of dividends from this enterprise in the not-too-distant future. Frobisher and its associates have raised over $5 millions to place Giant Yellowknife Gold Mines in production and the Giant initial 500-ton milling unit is expected to be completed this summer if not earlier.

Shareholdings at last report included 1,068,907 shares of Giant Yellowknife, 978,139 shares of New Calumet, complete control of Connemara-Zabonkwe Mines as well as substantial interests in Keno Hill, Akaitcho Crestaurum and numerous other mining enterprises.

Mining Corp. Well Off

Mining Corp. of Canada has the bulk of its investments in base metal enterprises which are being assisted by current prices of these metals.

Principal holdings in base metals are as follows: Hudson Bay Mining and Smelting Co., 81,287 shares; Quemont Mining Corp., 1,096,728 shares; and Normetal Mining Corp., 1,919,665 shares. The largest holding outside of the base metal realm is in Torbrit Silver Mines in which two million shares are held. This mine is being brought into production with a 300-ton mill.

Chief interests in the gold mining category comprise 1,640,308 shares of Jerome Gold Mines and 112,500 shares of Kerr-Addison Gold Mines. Interests in Base Metals Mining Corp. and Ashley were sold early in 1947.

Earnings of Mining Corp. in 1946 were 7.5c a share and working capital totalled $1,079,779 excluding investments in other mining companies.

Anglo Earnings to Jump?

Earnings of Anglo-Huronian at 26c a share for the year ended Aug. 31, 1947 were less than half those for the preceding fiscal year. But higher earnings appear to be in prospect with Kerr-Addison working to complete doubling of mill capacity during the present year. Anglo holds 7.6 shares of Kerr for each 10 of its own.

As at Aug. 31, 1947, out of securities at market value and other assets at "fair value" of $20,181,551, a total of $19,186,021 was represented by cash and marketable securities at market value. Anglo-Huronian has 1,500,000 shares of its own outstanding.

A large group of mining claims were staked near Twining Creek about 100 miles west of Amos in the Province of Quebec, during 1947. These claims cover a small exposure where interesting gold values had been located

Proprietary Position

Proprietary Mines, which earned 21c a share the year ended Aug. 31, 1947, owns 1,032,414 shares of Kerr-Addison Gold Mines or the equivalent of 1.12 shares of Kerr for each of 919,480 Proprietary shares issued.

Market value of Kerr-Addison and other shares increased $2,725,430 to $17,018,664 in the year ended Aug. 31, 1947.

Over $110,000 was received from power and lumber sales last year.

Castle Position Strong

Total market value of securities of Castle-Trethewey Mines amounted to $5,029,280 or $1.86 a share as at Mar. 31, 1947. The company is thus in a strong financial position to resume production at its silver property in the Gowganda area, Ontario, which is equipped with a 125-ton mill. No decision has been made on reopening this property pending arrangements for hydro-electric power.

The Castle-Trethewey investment portfolio includes 35,000 shares of McIntyre Porcupine, 15,000 shares of International Nickel, 10,000 shares of Amerada Petroleum, 2,000 shares of Bell Telephone, 5,000 shares of Standard Oil of California, 5,000 shares of Standard Oil of Kentucky, 2,000 shares of Standard Oil of New Jersey and 7,000 shares of United States Steel.

Transcontinental Floats Bonds

Transcontinental Resources has an extensive list of shareholdings, the more important of which are 500,000 shares of Steep Rock Iron Mines, 1,600,000 shares of Taku River Gold Mines and 841,030 shares of Crestaurum Mines. Other shareholdings which appear to have some promise are: South American Gold Areas, 675,000 shares; Kelwren, Eureka Corp. and Little Long Lac, unstated interests; and Marbenor Malartic, 603,555 shares.

To facilitate financing of various projects, a new $500,000 5% 15-year sinking fund debenture issue was created early in 1947. Pro forma balance sheet as at Mar. 31, 1947, issued for these debentures, showed total current assets of $663,870 against accounts payable of $32,202.

Conwest Near Smelters

Conwest Exploration Co. continues its extensive trans-Canada exploration program with two properties attracting widespread public interest this last year. One property comprises a lock block of claims adjoining the Sullivan lead-zinc mine of Consolidated Smelters in British Columbia; the other, a property held jointly with Central Patricia Gold Mines about 19 miles northwest of the Central Patricia property in northwestern Ontario.

A number of anomalies have been revealed on the ground adjoining the Sullivan mine, but diamond drilling there has been suspended until this coming spring.

With Frobisher Ltd., Conwest has brought Keno Hill into production in the Yukon. The Conwest Willow Creek mine has not yet been reopened. Considerable work has been done on claims held joining Brown McDade Mines. Through Nicoba Mines and Lynwatin Nickel-Copper Ltd., a substantial interest is held in the Lynn Lake area, Manitoba.

Inspiration Mining

Operations of Inspiration Mining and Development Co. have been affected by the widespread decline in diamond drill exploration in Ontario and Quebec where the company's operations are concentrated. While no statement is yet available for 1947, lower earnings are expected than in 1946 when 7.1c a share was earned.

Full details of the company's investment portfolio are not published but the company has substantial interests in Croinor Pershing, East Malartic, Hollinger, Lake Shore, Macassa, Malartic Gold Fields, New Calumet, Perron and Sladen Malartic.

Working capital as at Jan. 1, 1947, amounted to $1.2 millions.

A subsidiary, Insmill Mines, owns a property adjoining Chimo Gold Mines in Vauquelin twp., Quebec, where interesting values in gold and copper are reported to have been located in extensive cross-sectional diamond drilling.

Quebec Gold Corp. Active

Quebec Gold Mining Corp. which had investment portfolio with a market value of $1.7 millions on January 31, 1947, has been very active in development of new mining properties in recent years. Kenville Gold Mines, of which more than a million shares are held, was brought into production in 1947.

Shares held in producing mines include 3,000 Noranda, 2,700 Hollinger, 2,600 Hudson Bay, 3,500 Kerr-Addison, 125,000 Pamour, 4,500 Bralorne and 81,000 shares of Cariboo Gold Quartz Mining Co.

The company has 2,672,500 of its own shares outstanding.

Howey Gold Mines, fortified with a large treasury, is steadily continuing its search for a new mine to replace its property in Red Lake. Currently, the company is providing a considerable part of the finances for exploring the property of East Amphi Gold Mines and half the finances for diamond drilling at the property of Gan Copper Mines, Rouyn area, where a search for copper ore is in progress.

Balance sheet as at Jan. 1, 1947, showed $1.9 millions of working capital including $1,765,478 of marketable securities at book value (market—$2,426,425).

Trans-American Progress

Trans-American Mining Corp., formed in 1944, is one of the most aggressive of Canadian mine financing companies and has brought along at least two operations to the shaft sinking stage. These are North Inca Gold Mines and Spinet Gold Mines, both of which have indicated high grade gold ore deposition on their properties in the Yellowknife area. A shaft is to be put down at North Inca this summer.

Trans-American balance sheet as at June 30, 1947, shows $430,550 of current assets including $130,513 cash and $267,177 of Dominion of Canada bonds. Current liabilities amounted to $30,837. There are 768,806 Trans-American shares outstanding.

Coniagas Mines does not enjoy a wide distribution of its shares and is consequently not widely known to Canadians. But this mine financing company which had its origin in Cobalt's silver has quite a sizeable investment portfolio, does quite a bit of exploration each year.

Working capital exceeded $2.5 millions as at Jan. 1, 1947, taking securities at market value. The company has over a million in government bonds and trustee investments

Northern Canada

Northern Canada Mines continues a major shareholder in Kirkland Lake Gold Mining Co. (held over a half million shares, at last report). A substantial interest is owned in a recent consolidation of ground in the Snow Lake area. A property is also held six miles southeast of Atikokan, Ont., where fair copper-nickel values are reported secured in a drill hole with further work planned.

An interest is held in financing East Amphi Gold Mines and a gold prospect is owned about 30 miles west of White River.

Mindus Corp., successor to Vincent Mining Corp., has a number of industrial subsidiaries which have had a record of increasing sales as well as widespread mining interests. The company currently has been financing a continuation of exploration at Vinray Malartic where a shaft has been put down and where considerable encouragement was met with both in surface drilling and underground work.

Among the more substantial interests of Coin Lake Gold Mines are 100,000 shares of Cochenour-Willans Gold Mines, 483,500 shares of Marcus Gold Mines, 246,750 shares of Orlac, 98,999 shares of Richmac and 885,500 shares of Heath Gold Mines. Market value of investments totalled $791,000 as at July 31, 1947.

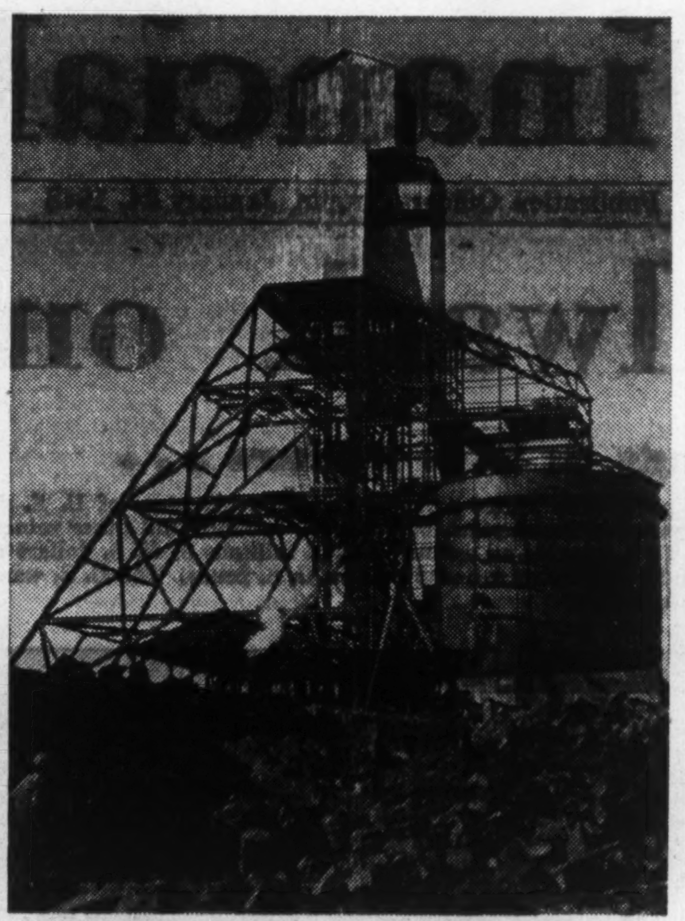
Continental Active

Continental Diamond Drilling owns 46 diamond drill rigs, carries on a large contract diamond drilling business out of Rouyn, Quebec.

The company purchased 100% of the preferred shares and 76% of the common shares of Mic-Mac Mines for $745,000 cash early in 1947 and it is expected that this will turn out a profitable venture. A large amount of equipment has been sold off the Mic-Mac and drilling of the Mic-Mac property is understood to have given some encouragement which will be followed up at a later date.

Continental has 2,029,300 shares outstanding.

McWatters Gold Mines has been participating in the financing of Osulake Mines and Hosco. While the exact share interests have not been revealed it is understood that they are fairly substantial.



In Manitoba's new Snow Lake camp, Howe Sound Co. is proceeding with plans for a 2,000-ton capacity plant at its Nor Acme property. Here is a view of the big headframe at mouth of the mine shaft. Ore bin is at the right.

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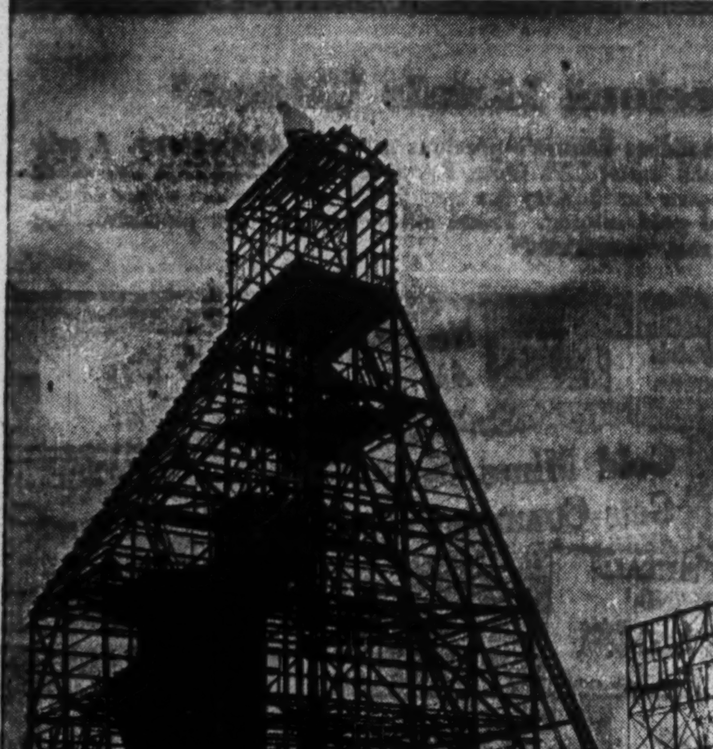

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Planned Economy

CANADA is today operating under a system of so-called planned economy. Interference with personal liberty in the form of new orders and regulations occurs almost daily. Foreign exchange control and import and export restrictions are subject to the whims of amateur economists who obviously have not yet learned the basic truth that "water will find its own level." Orders are issued by our "planners" without regard to the law of cause and effect. When confronted with the natural results of interference, further hasty regulations are published in attempts to overcome natural laws of supply and demand.

Our Government economists may learn that nature will eventually take its own course but if this lesson is not driven home to them and now, the country's future is liable to be ruined for a generation.

It is regrettable that our elected representatives in Parliament allow themselves to be hypnotized by theorists instead of applying plain horsesense to the problems of today.

I think it is high time that all Canadians woke up to the fact that our liberties are being taken from us. For all practical purposes our Government is arrogantly determined to do our thinking for us. Are we all to become robots? That is not the way Canadians of former generations achieved success in opening up our Country and it is not the way to develop our still enormous untapped resources. Canada needs today pioneers and red-blooded men prepared to think for themselves just as much as she ever did if we are to fulfil the promise of our destiny as one of the leading nations of the world.

J. E. Hammell
J. E. HAMMELL,
President and Managing Director.

PICKLE CROW GOLD MINES LIMITED
HASAGA GOLD MINES LIMITED
STARRATT OLSEN GOLD MINES LIMITED

Red Lake Expects Further Mill Plans Shortly With Several Properties Getting Good Results

More producers are on the way in the Red Lake camp. One mine is actually installing a mill. Two mines appear definitely headed for production plans. Another mine which has been securing favorable results is endeavouring to raise the necessary funds for equipping its mine.

Despite current difficulties in raising finances for developing operations, three and possibly four other operations have secured results suggesting production plans may emerge.

There is news among the producers too. Madsen Red Lake is doubling mill capacity. Production is on a much higher scale at Cochenour-Willans. Hasaga, producing again, is opening up its big new ore bodies and gearing for enlarged production. McMarmac is in production again.

Starratt-Olsen is the first of the new mines to make a mill decision. With nearly a half million tons of ore of $6.91 cut grade ore outlined, Starratt is installing the former Uchi mill of 500 tons capacity, expects to be milling this fall. Hasaga has "underwritten" its production program.

Expect Campbell Mill

Campbell Red Lake appears destined for production with only mill size and scheduled production date to be announced. Dome Mines, which owns the controlling interest, has underwritten $1,750,000 bonds which it is expected will be adequate for any necessary financing.

Dickenson Red Lake has disclosed a substantial tonnage of ore in underground work and its sponsors, Brewis & White Ltd., feel a large production program is warranted. Negotiations have been carried on recently with a view to securing finances for a production plant commensurate with the indicated ore potential.

Detta Red Lake has finished shaft sinking, has commenced lateral development for testing of seven indicated ore bodies from 150 ft. to 640 ft. long. Best drill intersection was 1.92 oz. over 9.7 ft. of core. Buffalo Red Lake is expected to complete its shaft to the 525-ft. horizon shortly and lateral work will then get under way. Surface diamond drilling at this property, adjoining Hasaga, indicated 132,000 tons of ore averaging $7.75 cut grade across an average width of 16 ft. Adequate finances for this program are reported assured.

Orlac has been carrying on work at two levels at 225 ft. and 350 ft. While correlation of results has been difficult, over-all results are stated to have been better than surface drilling indicated.

The program of exploration of the Richmac property from workings of the adjoining Cochenour property has gone slowly but a number of good ore intersections have been secured recently. Marcus, working on a level at 150 ft., has opened one short ore length and is now undertaking exploratory diamond drilling.

Many Further Leads

The Red Lake area probably has as many "ore leads" to be followed as any gold mining camp in Canada. But the problem of flanances has been uppermost with many operations and adequate investigation has had to be deferred at many properties.

Expansion of mill capacity from 400 tons to 800 tons daily at Madsen Red Lake is expected to become effective about the latter part of 1948. The cost of expansion is estimated at $600,000. It is planned to start the enlarged plant at the rate of 600 tons daily, a total which the mine can easily provide and gradually work up to the enlarged capacity.

Recent work at depth has been attended by most satisfactory ore disclosures. The company is continuing with its three-year development plan which calls for the opening up of the mine down to 2,600-ft. depth. Over a year's period the company's full program is expected to cost $1.5 millions. Earnings for the year ended Feb. 28, 1947, showed a sharp increase from 2.7 to 4.5 cents a share, but are still far below the level the company was able to maintain even early in the war.

Cochenour-Willans Gold Mines converted a deficit equal to nine cents a share for the year ended May 31, 1946 to a profit of eight cents a share in the year ended May 31, 1947. At the annual meeting last November, General Manager W. P. Mackle told shareholders that the current year's profits should equal those of last year despite lack of miners and a high labor turnover. The mine was then operating at 200 tons.

Operating at 250 tons and treating half-ounce grade ore, costs of $18 to $20 an ounce were predicted.

While a high-grade mining operation, Cochenour has shown itself to possess a high tonnage per vertical foot with 360,000 tons or 90% of ore so far milled coming from above the 375-ft. level where many years of mining still remain to be done in both shaft areas. Working capital approximated $700,000 at last report.

While McKenzie Red Lake Gold Mine does not report ore reserves, it appears that the mine is still in a very strong forward ore position. The management estimates a yearly requirement of 1,400 ft of new ore. On the basis of 6,250 ft. of remaining ore length at the end of 1946, the company had over four years' ore without counting ore lengths partially stoped. During 1946, 1,092 feet of ore was opened.

Indications are that McKenzie may do considerably better when milling rate can be worked back to a full 230 tons daily. Production recently has been little more than 50% of that five or six years ago.

Hasaga has concentrated its major mine-making efforts on opening of the new west ore zone located in 1945 by diamond drilling below the 1,600-ft. level. This area is being explored from No. 3 shaft which is down 2,450 ft. with deep levels at 1,800, 2,000, 2,200 and 2,400 ft. depth.

Drifting on the 1,800-ft. level by the end of 1947 had been carried 320 ft. in ore averaging 0.19 oz. across 6.7 ft. Initial drifting on the 2,000-ft. level returned 0.12 oz. across drift width for 180 ft.

Work on the deeper levels is now proceeding. If results in this sector are as anticipated drilling, plans call for increase in mill capacity above 400 tons daily, the capacity of the present unit. It is possible that an entirely new mill may be constructed. Hasaga owns a million shares of Starratt-Olsen Gold Mines and is directing that company's operations.

Starratt has demonstrated that its ore zone extends to at least 1,400-ft. depth and work to the west of the major fault has opened up an exceptional grade of ore. In one place this new ore body shows a width of 45 ft.

While work at Campbell Red Lake has been showing low as well as high-grade ore, a fairly high average grade will likely be treated in milling, results suggest. Channel sampling of backs on the third level shows one length of 370 ft. averaging $26.50 across an average width of 7 ft. Some sections opened underground have returned rather spectacular values and will likely prove "sweeteners" for lower grade sections which will be mined.

An average ore grade of just over $9 a ton is reported in work completed so far by Dickenson Red Lake Mines from its shaft sunk 543 ft. with four levels established. Results on the third level have been reported particularly favorable with ore grade much better than mine average.

McMarmac resumed production last August and the company should benefit materially from the Dominion's gold subsidy program. Costs are likely to prove considerably above $18 an ounce.

The company does not possess any substantial ore reserve, work has shown several further possibilities for the development of ore.

Among the smaller operations which still hold interest are Lake Rowan (1945) Mines which decided on further underground work after successful surface drilling program and Craibbe-Fletcher Gold Mines which has indicated several gold-bearing zones in diamond drilling to the east of Cochenour-Willans Gold Mines. Work is suspended for the present on the property of Dexter Red Lake, to the south and west of Campbell, but this property, controlled by Dome, is usually regarded as having important ore potentialities. Abino, McFinley, Kaymac and other operations have secured ore intersections.

No Mill Closure At Central Pat.

Vigorously denying a rumor that Central Patricia Gold Mines was ceasing milling operations, Treasurer C. R. Elliott informed The Financial Post that December bullion production represented the best month in some time. The labor supply situation has shown a marked improvement with a large number of experienced miners coming in from western farms for the winter and 20 DP's expected this week from Lithuania.

Bullion production in December quarter totalled $232,967 from treatment of 21,482 tons of ore, an average recovery of $10.84 gold per ton ($199,175 from 23,040 tons and $8.64 in September quarter). Output for 1947 amounted to $999,477 from 96,971 tons milled, an average recovery of $10.31 ($1,205,651 from 97,808 tons and $12.33 gold in 1946).

Malartic Camp Can Benefit Materially Under Provisions of New Gold Subsidy

More than possibly any other sector, Quebec's Malartic camp is anticipating aid from the Dominion Government's announced subsidy program which is effective as from Dec. 1, 1947.

This is not just because the area's mines are low grade—and sometimes marginal—but because three-quarters of the area's producers are either expanding capacity or possess a considerable extra capacity that may be used to advantage.

In East Amphi and Norbenite, the area has two new operations which could conceivably be considerably assisted by the subsidy in reaching production. Exploration is now on only a minor scale in the Malartic camp but Vinray and Marbenor—in the exploratory stage—may be assisted in their programs.

All Malartic's four producers—Malartic Gold Fields, East Malartic, Canadian Malartic, and Sladen Malartic—have total costs of over $30 an ounce, indicating that they all come within the scope of the Dominion's new subsidy plan.

Why Costs High

The high costs of recent years, as far as Malartic Gold Fields and East Malartic are concerned, have been to a considerable degree the result of a concentration of efforts on preparing mines for greater production at a later date.

The fact that there is excess mill capacity existing in the Malartic area at present is of importance to an operation such as East Amphi Gold Mines which has been opening up better grade ore in both its 325- and 475-foot levels and which might reach production through shipping ore to a neighboring mill.

Here is the position of the area's producers today:

CANADIAN MALARTIC—An increase in mill capacity from 1,000 to 1,200 tons daily is expected to become effective about next July, should mean improved earning power. An average of only 900 tons daily was handled in the year ended June 30, 1947, the base period for purposes of the Dominion's gold bonus.

It is believed that the gold subsidy will serve to reduce costs by perhaps as much as $3.50 per ounce. The company is the only Malartic producer to maintain dividends during the war and postwar periods.

EAST MALARTIC—With recent production at only half of company's 1,00-ton mill capacity, East Malartic has much to gain by increasing production at the earliest possible date. Completion of its new inclined shaft now permits a wider development and mining program. Increased deliveries of ore to the mill would appear possible when the mine gets in a little better condition.

Two or more new ore bodies have been indicated approximately half a mile east of the main shaft on the 10th level and a few hundred feet to the north of the drift. This adds to the already impressive over-all ore potential of this mine.

MALARTIC GOLD FIELDS—Expansion of mill capacity from 750 to 1,500 tons daily may be completed by mid-year. Reflecting a concentration of efforts on preparation of the mine for increased production, costs were $39.73 an ounce, including development in 1946. Production was at a low daily rate and the company is one of those most materially assisted by the new bonus, it appears.

Ore reserves at the end of 1946—the latest reported—totalled 3,610,000 tons which should be sufficient for seven years' operations at the new higher production rate proposed.

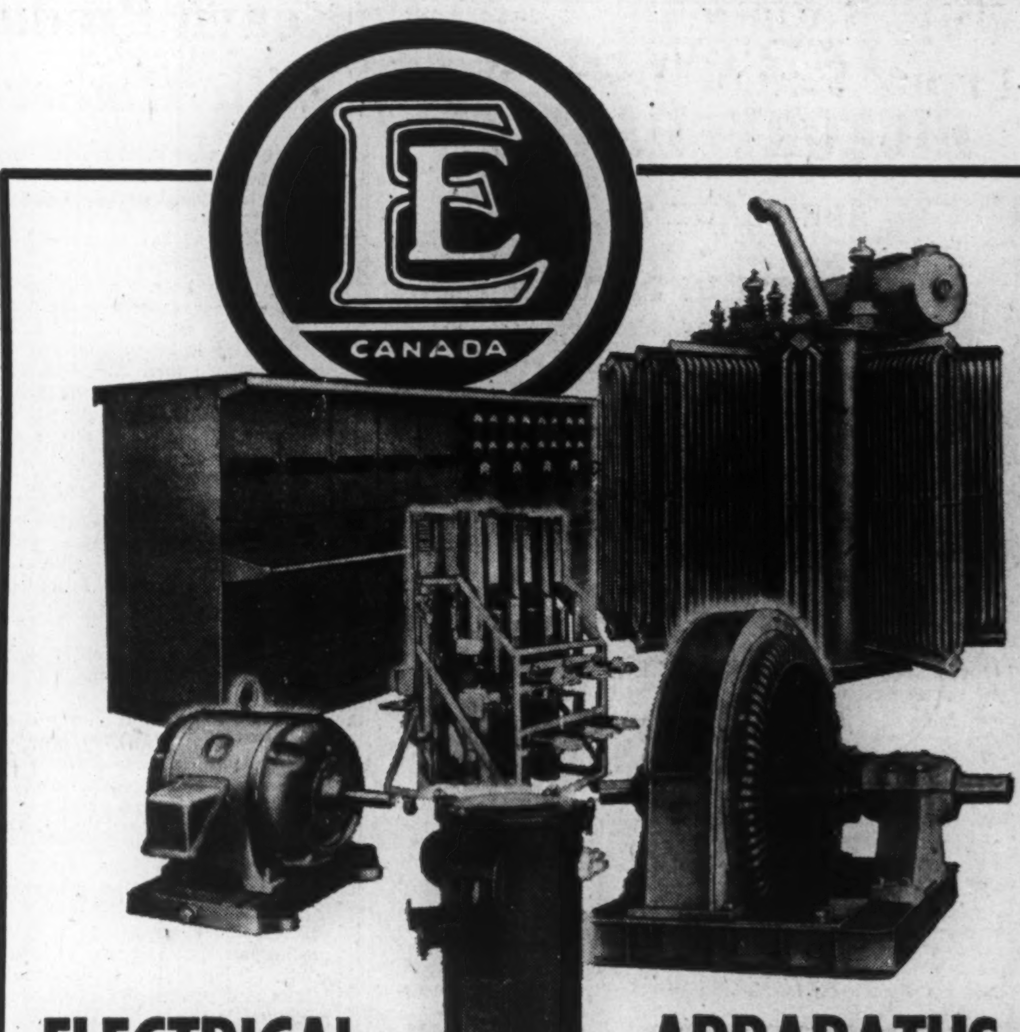
Major capital expenditures have been required in connection with the expansion program and emergence of anticipated new earning power is not likely to be reflected by early dividends.

SLADEN MALARTIC—With over-all costs reaching $43.34 an ounce in 1946, the new subsidy aid program will probably save this company from experiencing actual operating losses.

With recovery averaging just over $3 a ton and ore reserves averaging $4 a ton, the company was one of those hard hit by the return of parity in July, 1946. Hopes for improved results are linked with three new lenticular ore bodies of small size but of better grade opened 2,300 feet to the north of No. 1 shaft at the 500-ft. level. Working capital remains over the $800,000 mark.

OTHER OPERATIONS—There is no immediate prospect of renewed plans for National Malartic under existing gold mining conditions. The company has large tonnage of potentially profitable material which would undoubtedly attract attention with a materially higher price for gold or some other similar major development.

While Norbenite, in early underground development work, failed to measure up to surface drilling indications, later work indicated some higher grade sections and has given a better idea of how ore in that location occurs. However, a continuation of encouraging results would be necessary for some time before any consideration of production plans could be entertained. East Amphi has shown possibilities of opening ore bodies up to 20 ft. wide of a much better grade than the Malartic average but from work so far these do not appear likely to exceed 150 to 200 ft. in length.



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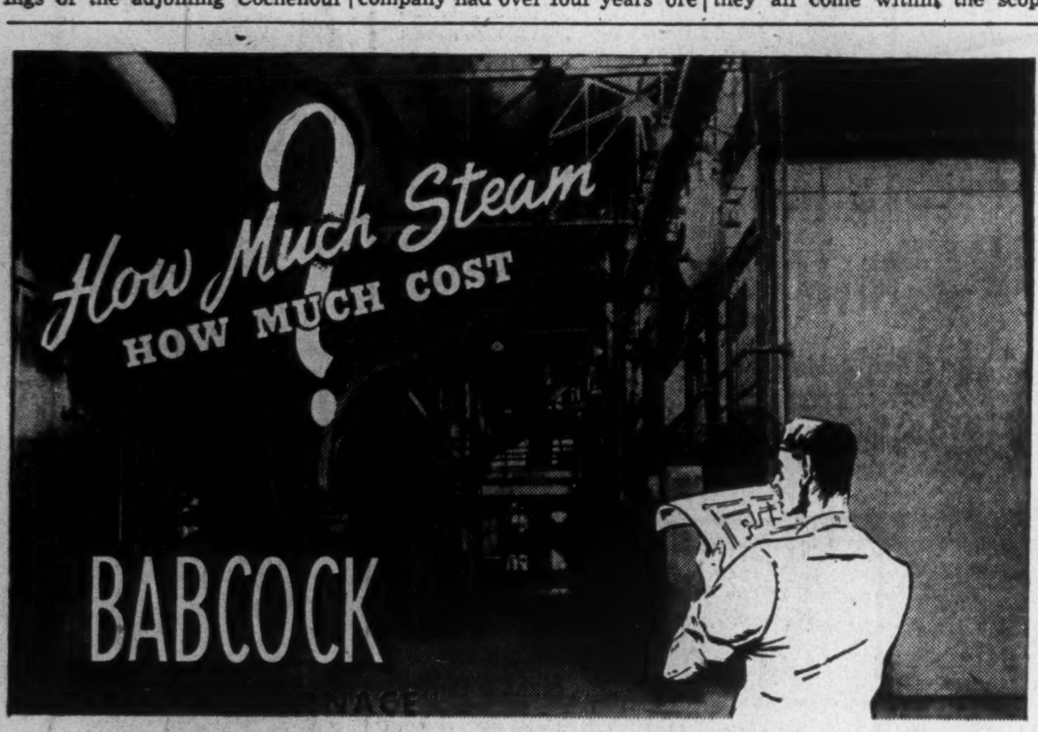

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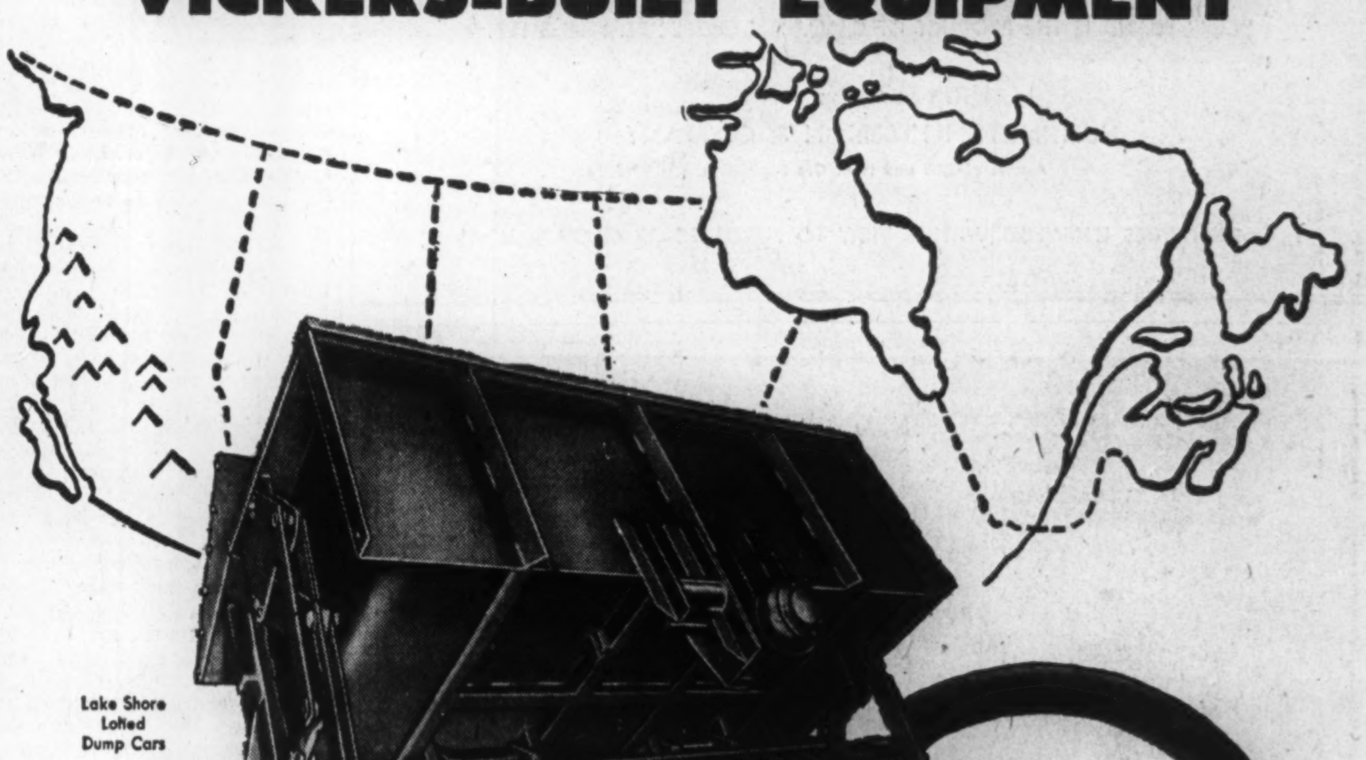

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Rouyn Production Seen Forging Ahead With Higher Copper and Zinc Prices

There are very good reasons for thinking that the Rouyn area will play an important part in (a) assisting the Marshall Plan and (b) curing Canada's shortage of U. S. dollars.

Rouyn has both the untapped productive capacity to permit a fairly early expansion of production and known resources of ore which can form the basis for new milling operations, particularly with prevailing high prices for copper and zinc.

Increased gold production is a good possibility also with extensive underground work completed on a number of properties in the area and considerable extra gold to be expected as a by-product of increased base metal mining operations.

Inside the next few months, Noranda, the area's chief producer, is expected to make a decision to install a commercial plant for treatment of iron pyrites and recovery of 200,000 tons of sulphur per annum—enough to take care of Eastern Canada's full requirements. Such a plant would add iron as well as sulphur to the area's mineral products. Operation of a 30-ton pilot plant at Noranda indicates the operation is a feasible one.

Extensive areas of pyrite mineralization have been outlined north of Noranda at Macdonald Mines and production of sulphur and iron is proposed at this base metal property as well.

More Labor Helping

With improving labor conditions, Noranda Mines is expected to return operations to capacity just as rapidly as labor, supply and mine conditions will permit. A price of 21½ cents a lb. for copper is an extremely attractive one for Noranda. The company will undoubtedly do as much as it can to meet requirements of copper expected under the Marshall Plan. Entry of Noranda into the East Sullivan picture assures the bringing of that copper-zinc property into production as well. Waite Amulet, Noranda's subsidiary, is already producing at a high rate.

Biggest individual boost in production of the Rouyn area will probably result from the bringing into production of Quemont Mining Corp. probably in the spring of 1949 at an initial production rate of 2,000-tons daily. Gold, copper and zinc will be the chief products. Since gold will not constitute 70% of the value of production, the company will not be assisted under the proposed gold subsidy. But as a new metal mine, the company will enjoy a three-year tax holiday.

Macdonald Mines is evaluating its extensive mineralized deposits with its values in zinc, gold, silver and copper (plus sulphur and iron). In September, 1947, 7,075,000 tons were estimated av. $11.40 combined metal values, exclusive of iron and sulphur plus a much larger tonnage of lower grade material. The company has announced production and refining plans but further financing will be required to implement the program, it appears.

Eldona has found interesting zinc values in underground work next to Donalda and efforts are being made to establish a fair-sized ore body.

Despite present metal prices, search for further base metal deposits is not on a high scale. Diamond drilling of the Osisko Lake property from Noranda workings has been carried on but this has not been productive of ore bodies so far. Lake Dufault has considered putting down a shaft to search for ore at depth, but this work has not been proceeded with. Joliet-Quebec has outlined a considerable tonnage of copper-bearing material which might be commercial at present prices but further efforts have not turned up any new ore.

Southwest Sector Active

In the southwest part of Rouyn, quite a search for base metals is being carried on. Howey Gold Mines and Coniagas have been financing a drill search for copper ore on the property of Gan Copper. West Wasa Mines has been diamond drilling its property, including the old Aldermac mine, and some copper-bearing material has been located.

The subsidy on costs in excess of $18 an ounce is of particular interest to the Rouyn area with its large number of gold properties which have met with varying degrees of success. In the southwest sector, Lake Wasa Mining Corp. is considering installing a mill of 1,000-ton capacity.

Donalda Mines is stated to have opened up combined ore lengths of over 2,000 ft. on four levels in its main quartz vein. On the bottom level a length of 500 ft. is reported to average $12.84 over 3.54 ft. There is stated to be some silica in the ore, which might make it desirable for treatment at Noranda, should the latter's requirements for flux increase. However, development of this vein has been suspended and the company has turned to exploration of a surface sulphide occurrence

Anglo-Rouyn has deepened its shaft from 579 to 925 ft. with new levels established at 650, 775 and 900 ft. Best results so far are reported on the 400-ft. level where there is stated to be 460 ft. averaging .393 oz. over an unstated width.

New Marlon has joined Elder in the ranks of the new producers but Francoeur has proved a casualty due to difficult operating conditions.

Down in the southeast Rouyn sector, Rouyn-Merger hopes to be able to make a mill decision soon. Hosco has opened some high grade ore, and will likely use the McWatters mill which it owns. Heva Mines has opened considerable good grade ore but production plans await financing.

Highlights of operations of the Rouyn area's producers are reviewed below:

NORANDA — Earnings of Rouyn's premier producer are running better than $4 a share at present and, with an improving labor supply and a price of 21½c a lb. for copper, earnings may return to about $5 a share. Due to the strike in 1946, the dividend rate was reduced from $4 to $2 a share but prospects appear bright for upward revision.

Ore reserves remain approximately 17 years' milling requirements and, with steps taken to integrate the company's operations more fully in recent years, future prospects appear bright. The labor situation has improved at all subsidiary operations except Pamour and one subsidiary, Empresa Minera, recently declared an initial dividend of $100,000.

Noranda continues in an exceptionally strong working capital position with $15.7 millions reported at Jan. 1, 1947, exclusive of over $17 millions invested in subsidiaries, affiliated and other companies.

QUEMONT—While production will not be reached as early as anticipated, the present prospects of production in the spring of 1949 places Quemont in a probable position to enjoy the present high level of base metal prices.

Ore reserves at March 31, 1947, were estimated at nine million tons, averaging .172 oz. gold, .92 oz. silver, 1.524% copper and 2.691% zinc. Diamond drilling from the 900-ft. level subsequently disclosed considerable ore at depth and this, together with other new ore outlined, probably means the addition of a further half million tons of ore. The company has thus around 15 years' ore for the proposed 2,000,-ton concentrator. It is expected that arrangements will be made with Noranda Mines for treatment of concentrates but no deal has apparently been made as yet.

While Quemont has already raised over $5 millions, chiefly through offering of rights to shareholders, further funds will be required to see the company through to production. According to reports, the company does not plan to issue further shares. It is believed that any necessary funds can be obtained by way of loan. Higher costs of materials, supplies and milling equipment are given as the explanation for the need for additional funds.

The company is now proceeding with detailed exploration of its ore zones at various horizons from its new recently completed No. 2 production shaft.

WAITE-AMULET—With a year-end dividend of 30c a share paid on Dec. 10, 1947, Waite paid a record total of 90c a share in 1947 compared with 70c in 1946. This reflected a very profitable operating ratio in 1947. The company almost certainly did much better in the last half of 1947 after lifting of the domestic ceilings on metals. In the first half of the year 31.9c. a share had been earned.

Waite enjoys a full crew and the picture would be a very encouraging one if some success were met with in the present exploration program for new sources of ore. Ore reserves are about five years' requirements at present. Working capital, on a consolidated basis, works out at approximately $7.4 millions or better than $2 a share on the company's 3,300,000 issued shares.

ELDER MINES — Additional equipment was decided on late in 1947 in order that the company may take advantage of any favorable developments. Additional drifting machines, drills, etc., were ordered, with cost expected to be discharged out of earnings.

Working capital in November was over $160,000; as further funds were received subsequently from sale of treasury shares, the company may be in a fairly satisfactory financial position. Regular shipments of

(Continued on page 35)

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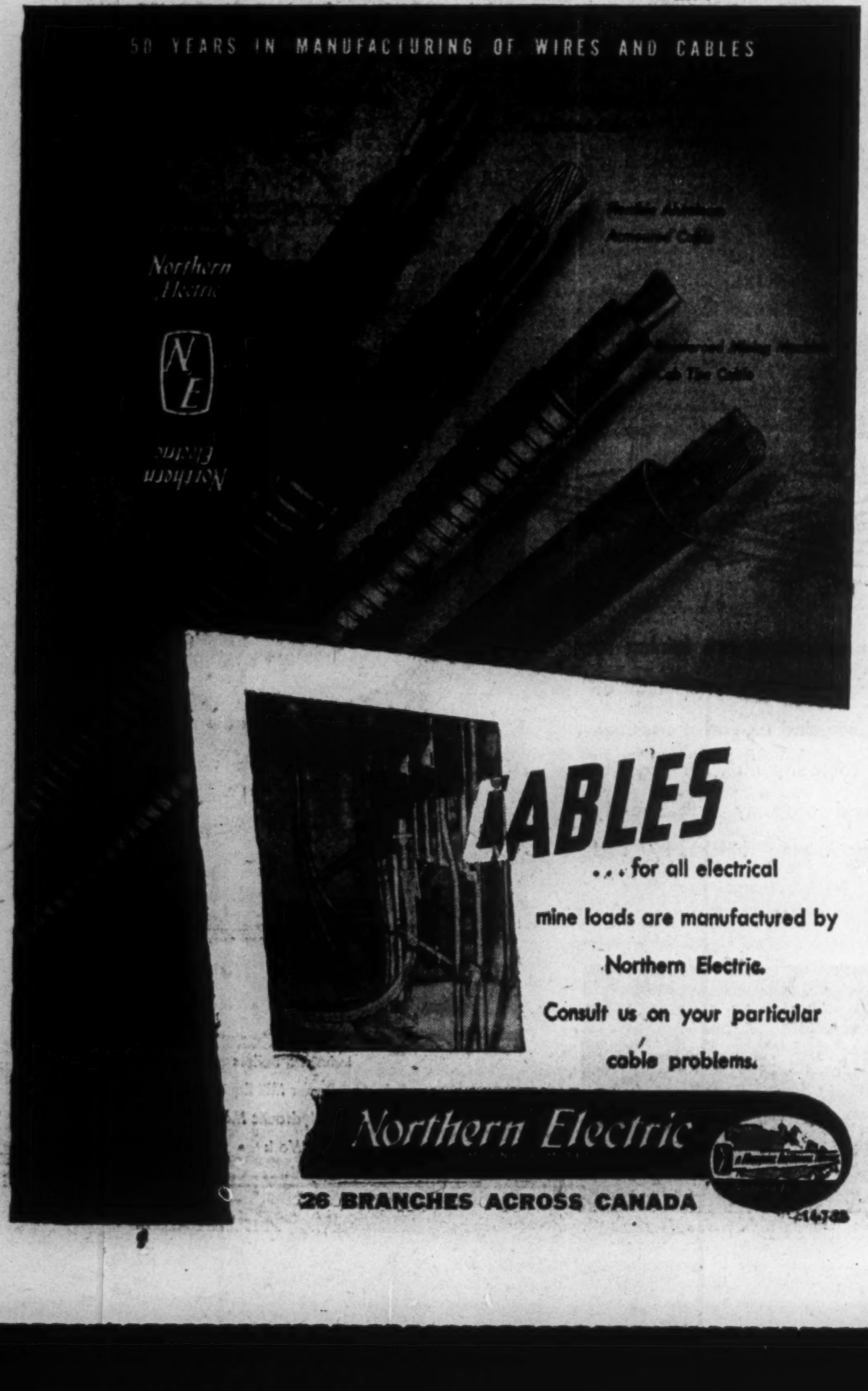

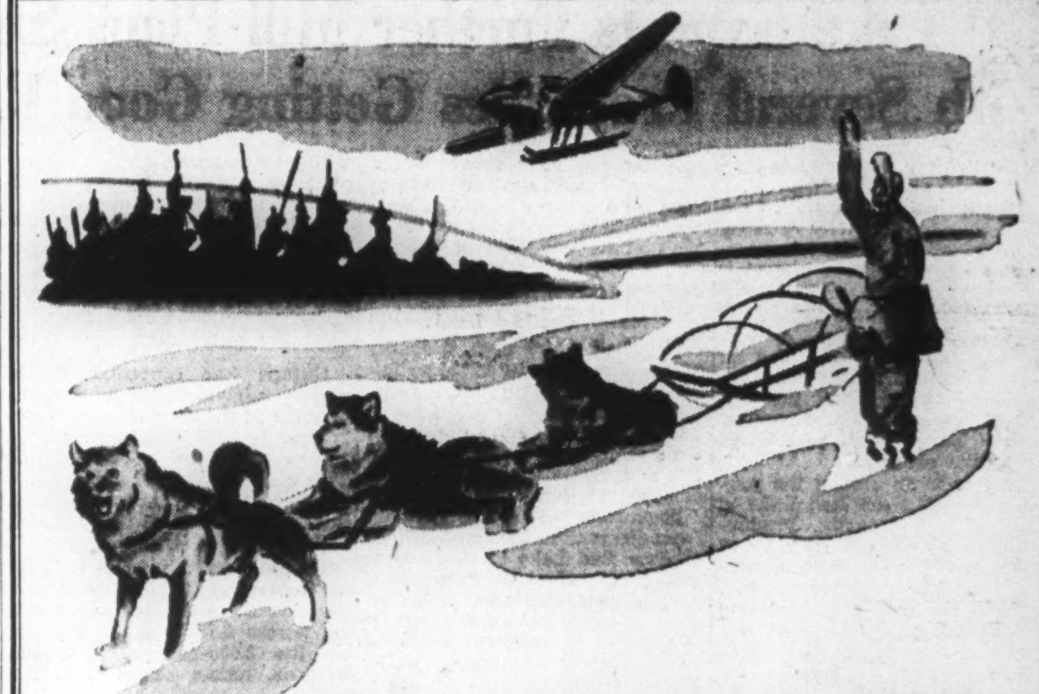

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Yellowknife Expects More Gold Mines

Although its sensational expansion has been curbed by more difficult financing conditions, civilization has reached out and taken hold of Yellowknife. Opening new mines will be a lot simpler for newcomers than for the area's early operators.

Look at what has happened at Yellowknife townsite alone:

A $175,000 public school has been built.

A 40-bed $250,000 Red Cross hospital has been built.

The new 50-guest Ingraham hotel has been opened at a $200,000 cost.

Construction has been completed on the Yellowknife airport with two 600-ft. by 5,200-ft. landing strips in use.

The new 8,000-hp power development on the Snare River, 94 miles from Yellowknife, is making progress and is expected to be completed by late next autumn. Work on the all-weather highway from rail head at Grimshaw, Alta., to Hay River on the south shore of Great Slave Lake (across from Yellowknife) has been handicapped by heavy boulders, rain, etc., but is expected to be finally finished during 1948.

Improve Transport Route

Airport access roads are being maintained by the Dominion Department of Transport at all principal settlements. Since much of the freight destined for Yellowknife is shipped by barge from the railhead at Waterways, Alta., dredging of the Athabaska and Slave Rivers, soundings and harbor surveys and the location of refuge harbors on Great Slave Lake are among the projects carried out to speed waterborne traffic.

Emphasis minewise at Yellowknife is on increasing production at existing properties, getting new properties into production, and exploration of drill-indicated ore bodies underground. Surface diamond drill programs have shrunk greatly in size and number; but a lot of more intensive surface prospecting is going on than for some time past, it appears.

Giant Nears Milling Stage

Underground work at both Nos. 1 and 2 shaft of Giant Yellowknife Gold Mines has fully comfirmed surface drill indications of high grade ore bodies and rapid progress is being made towards placing the property in production with an initial milling unit of 500 tons capacity. It is expected that the mill will turn over not later than June 30, 1947, but capacity operations are not anticipated until late autumn when Snare River power is expected to become available.

Over $5.3 millions has been raised from sale of Giant shares to finance this operation and the overall picture is one where the groundwork has been laid for expansion. Rock excavation for a second 500-ton mill unit has been made.

A third shaft is being collared near the mill location and is expected to make available a large tonnage of indicated ore in the ASD zone.

Preliminary surface drilling indicated 2,373,000 tons averaging 0.35 oz. uncut or 0.28 oz. uncut. Work underground to Sept. 16, 1947, has shown an estimated 760,000 tons with an uncut grade of approximately 0.50 oz. while the South ASD zone, in the vicinity of the projected No. 3 shaft, was estimated to contain 750,000 tons averaging 0.25 oz. allowing 20% dilution.

Negus Lifts Capacity

Negus Mines has recently boosted capacity of its mill from 70 to 125 tons daily but the increased capacity, to be brought into operation gradually, is expected to permit treatment of 150 tons daily in practice.

An important new phase of the Negus operation is now developing with work at the bottom 13th or 1,775-ft. level starting to investigate the Campbell shear zone. From preliminary surface and underground drilling, the Campbell shear, faulted extension of the Giant shear, is expected to prove productive of high grade ore. It may prove much more prolific than the original Negus vein system.

The Con mine of Consolidated Smelters, adjoining Negus, is in a healthy condition. Ore reserves are reported as sufficient to supply the 350-ton mill installed (operating at capacity) for a period of four years. Average grade is reported to exceed a half ounce per ton.

The Con mine is developed by a shaft sunk to a depth of 2,458 ft. A long crosscut is now being put out at the 2,130-ft. level to test the Campbell shear first located by a joint Con-Negus drill hole. As the faulted extension of a major ore zone on the Giant property, 3.06 miles to the north, the Campbell zone holds exceptional interest. It is expected that the 2,300-ft. level drive will reach its objective next fall.

Smelters also controls the Rycon property, adjoining the Con (a 60% interest is held); Rycon has been extensively developed from the Con workings. Approximately 20% of ore treated in the Con mill was coming from the Rycon property at last report.

Production at the Con totalled 34,554 oz. gold and 2,648 oz. silver from Jan. 1. to Aug. 31, 1947.

Thompson-Lundmark Milling

Thompson-Lundmark poured its first brick since resumption of milling on Sept. 20, 1947. Ore reserves ahead of the 100-150-ton mill are estimated by R. D. Hoffman, consulting engineer, at 70,000 tons grading 0.40 oz. gold in the Kim vein plus 6,000 tons averaging 0.55 oz. in the Fraser vein.

In past production, nearly all the ore was taken from the Fraser vein. A crosscut is being driven a distance of 2,500 ft. from the 750-ft. level of the Fraser shaft to tap the Kim vein at this horizon. It is expected that raising to connect with the old 600-ft. Kim shaft will be completed later. An objective of the management is to improve results by securing a better control over dilution than has prevailed heretofore.

As Consolidated Smelters has not resumed production at its Ptarmigan and Ruth mines, and Beaulieu Yellowknife has suspended production following a low recovery in initial milling, Yellowknife has just three gold producers at present.

But there are numerous splendid situations for further producers besides the Giant which is already nearing production.

Many Good Prospects

Within a 150-mile radius of the town of Yellowknife are a dozen or more properties which may develop into producers. The Yellowknife Bay, Quyta-Giaque, Giaque-Morris Lake, Indin Lake, Beaulieu McKay-Courageous Lake, and Outpost Islands areas, have all shown gold desposition, Quite a number of properties have excellent chances of becoming producers:

In the Yellowknife Bay area, Crestaurum Mines, which completed a shaft some time ago, extended its holdings by purchase of four Varga claims and 12 new ore zones are reported to have been located in latest drilling.

Very interesting and high grade ore zones have been indicated by extensive past drilling on this property.

Akaitcho Yellowknife is expected to sink a shaft on its property, immediately to the north of Giant, when Snare River power becomes available. Engineering estimates have been made of between 250,000 and 300,000 tons of ore averaging $15 to $20 to the ton in a single block. Finances have been provided by Frobisher Ltd. and associates.

Discovery Runs High Grade

In the Quyta-Giaque Lake area, to the north of the main Yellowknife sector, Discovery Yellowknife has opened short but very high-grade ore shoots from a shaft sunk 275 ft. Erection of a mill of 100 to 150 tons daily capacity is expected.

Viking Yellowknife, in the same area, has sunk a shaft to a depth of 165 ft. Five ore shoots were reported in surface drilling with a combined length of 1,550 ft. averaging $22 uncut across an average width of 5.4 ft. A very limited amount of lateral work has been completed.

Indin Lake Looks Good

Perhaps the best outlying area to come into prominence in the Yellowknife area is Indin Lake. Here Diversified North Inca and Spinet have secured outstanding drilling results.

Diversified indicated several ore sections in surface drilling with

(Continued on page 33)

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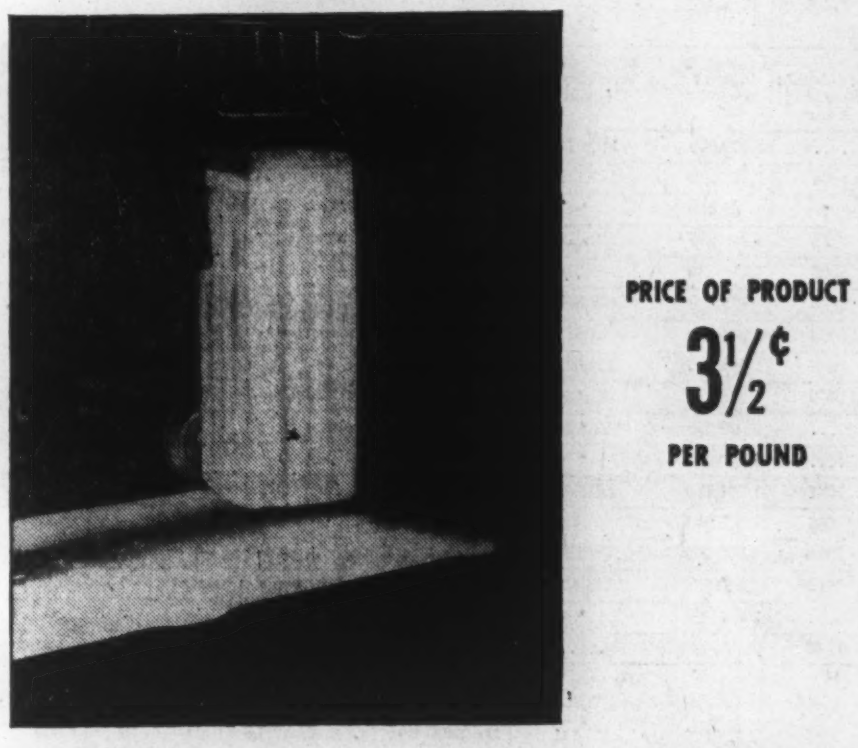

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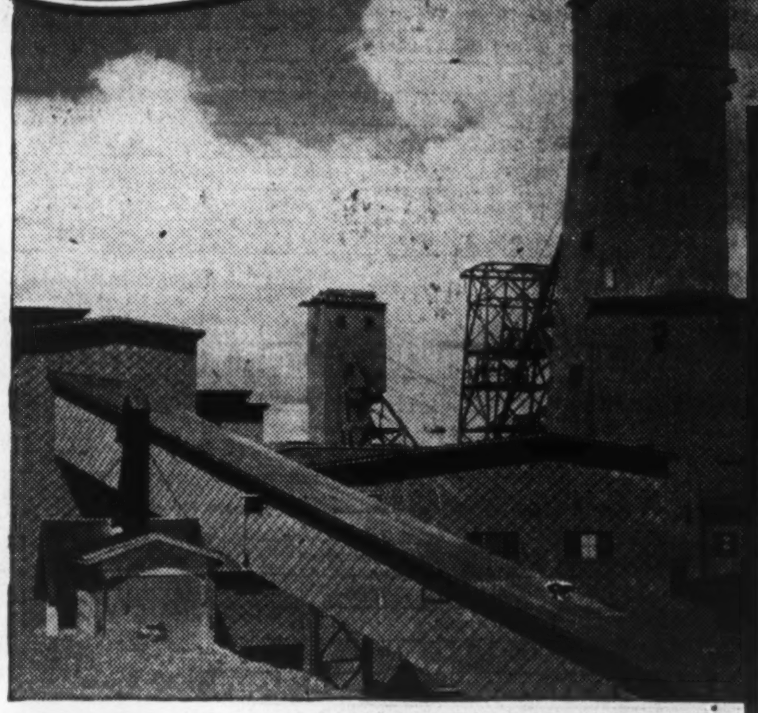

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The Financial Post Record of Canada's Chief Mines

Since reprints of this page will not be available, The Financial Post suggests it be clipped and filed.

Product	Prod. Started† Year	Dividends Started† Year	Shares Issued No.	Working Capital $	Company and District	Daily Capacity Tons	Daily Tonnage 3rd Qr., '47	Ore Reserves Tons	Ore Reserves Grade $	Production (Fiscal Year) 1947 $	Production 1946 $	Production 1945 $	Recovery per Ton 1947 $	Recovery per Ton 1946 $	Cost per oz. 1946 $	Cost per Ton 1946 $	Remarks	Net Profit per Share (Fiscal Year) 1947 $	Net Profit 1946 $	Net Profit 1945 $	Dividends (Fiscal Year) 1947 $	Dividends 1946 $
					BRITISH COLUMBIA																	
-L-Z	1929	....	3,000,000	170,577	Base Metals Mining (Field)	300	*	15,700	♦	*	131,080[23]	467,917[23]	*	*	*	*	Mill reopened Sept. 4.	*	d0.009	0.034	...	...
G	1932	1934	1,247,000	579,222	Bralorne Mines (Bridge River)	550	343	1,070,000	17.85	*	1,210,226	2,172,669	*	18.75	27.06	*	Mill rate increase anticipated.	*	0.16	0.61	...	0.20
-G-S-Z	1905	*	91,966	*	Britannia M. & S. Co. (Britannia Beach)	6,500	*	*	*	*	*	*	*	*	*	*	Controlled by Howe Sound Co.	*	*	*	*	*
G	1933	1936	1,533,309	719,715	Cariboo Gold Quartz (Cariboo)	350	*	322,250[1]	13.36[1]	530,408	512,588	526,419	11.73	14.22	46.22	‡15.37	Year ends Jan. 31.	d0.12	d0.13	d0.10	...	...
-Z-S-	1906	1906	3,276,329	43,141,862	Consolidated M. & S. (Trail)	8,000	*	*	*	*	72,939,928	51,080,710	*	*	....	*	Earnings at record level.	*	7.12	3.68	8.00	4.25
-G-S	1912	1903	450,260	1,468,316	Granby Consolidated (Allenby)	5,000	4,126	9,982,000	♦	*	1,889,195	2,055,914	*	*	....	*	Benefiting from high copper price.	*	d0.125	d0.096	0.60	...
G	1936	1938	2,264,130	54,487	Hedley Mascot (Osoyoos)	225	*	*	*	357,248[14]	328,110	717,395	*	10.11	56.02	8.89	Milling resumed May 1, 1947.	*	d0.077	d0.009	...	...
-L-G	1916	1916	1,565,856	126,095	Highland Bell (Beaverdell)	....	....	*	*	*	336,439	138,233	*	*	*	*	Ore shipped to Trail smelter.	*	0.076	0.021	0.05	0.08
G	1934	1936	1,050,716	292,254	Island Mountain (Cariboo)	150	99[5]	63,000	16.56	618,592	353,319	388,229	15.01	16.98	28.63	14.49	Labor supply improving.	*	0.05	0.07	0.08	0.07
G	1947	....	3,500,000	18,933	Kenville Gold (Nelson)	125	100	100,000	11-12.75	*	......	......	*	....	....	....	Controlled by Quebec Gold and Noranda.	*	*	*	...	...
G	1947	....	1,100,000	*	Nitinat Mines (Alberni)	25	*	300,000	♦	*	......	......	*	....	....	....	Carload concent. shipped Trail late Dec.	*	*	...	...	...
G	1928	1931	1,751,750	561,194	Pioneer Gold Mines (Bridge River)	425	*	149,961	16.24	246,365	166,719	368,134	20.29	15.69	61.74	‡38.59	Year ends Mar. 31.	d0.11	d0.15	d0.01	...	...
G	1938	1939	2,561,580	16,329	Privateer Mine (Zeballos)	90	*	38,387	15.75	*	66,483	*	*	18.16	110.20	41.36	New ore results favorable.	*	d0.033	d0.011	...	...
G	1935	1936	1,475,000	716,692	Sheep Creek (Sheep Creek)	150	*	76,964	12.71	36,655	454,760	187,935	9.62	13.27	33.07	‡12.52	Year ends May 31. Milling resumed May 1.	0.013	0.078	0.013	0.01½	0.12
-G-S-Z	1919	1938	2,500,000	814,428	Silbak Premier (Portland Canal)	550	*	73,341	10.74	*	340,010	567,314	*	9.77	....	12.70	Milling resumed Feb. 18, 1947.	*	d0.056	d0.016	...	0.01
G	1937	....	3,000,000	*	Taku River (Atlin)	300[2]	*	231,549	12.75	*[3]	*	*	*	*	*	*	Polaris-Taku mine reopened 1946.	*	*	*	...	...
-Z-S	1941	1946	Unstated	......	Zincton Mines (Slocan)	350	*	148,066	♦	704,806	574,399	710,197	12.53	14.06	....	*	Year ends May 31. Owned by Sheep Creek.	*	*	*	*	*
					MANITOBA																	
-Z-G-S	1930	1935	2,757,973	24,488,743	Hudson Bay M. & S. (Flin Flon)	6,000	5,231	26,000,000[4]	♦	*	28,714,932	22,774,009	*	15.63	....	9.83	20-yr. royalty exemption expired Dec. 1.	*	3.21	2.138	3.00	2.25
G	1932	1934	2,393,024	812,200	San Antonio (Rice Lake)	550	*	720,000	♦	*	1,609,198	1,477,995	*	10.74	22.88	7.91	Production maintained. Jeep shaft sunk.	*	0.19	0.178	0.14	0.17
-Z-G-S	1931	1940	5,944,432	2,059,589	Sherritt Gordon (Cold Lake)	2,800	1,238	1,368,000	♦	*	3,160,819	3,853,774	*	5.66	*	*	Lynn Lake development progresses.	*	0.115	0.07	...	0.02
					ONTARIO																	
G	1940	1941	2,000,000	1,117,491	Aunor Gold (Porcupine)	500	412	622,700	11.34	2,060,000	2,079,300	2,163,291	11.98	12.40	25.75	9.87	Depth results prove favorable.	*	0.235	0.291	0.20	0.20
-G-S-L	1939	1941	2,000,000	1,300,717	Berens River (Favorable Lake)	250	*	75,430	♦	°108,605	843,113	1,182,969	*	20.11	....	19.87	Working at 2,700 ft.; some encouragement.	*	0.008	0.068	...	0.05
G	1934	....	4,300,000	143,797	Bidgood Kirkland (Kirkland Lake)	125	99[5]	*	*	412,724	274,216	419,016	13.46	9.92	52.60	15.88	Ore reserves increasing.	*	d0.027	0.004	...	...
G	1941	....	3,174,173	17,767	Bonetal Gold Mines (Porcupine)	....	103	*	*	°109,397	172,419	168,826	°4.09	6.46	38.55	6.75	Uses Broulan mill.	*	nil	nil	...	...
G	1940	1940	2,694,005	464,948	Broulan Porcupine (Porcupine)	500	230	180,000	6.30	°362,239	578,552	653,917	°5.66	7.63	37.27	7.80	Ore from Porc. Reef treated.	*	d0.0002	0.01	...	...
G	1926	1933	760,000	287,796	Buffalo Ankerite (Porcupine)	1,300	546	204,608	6.91	°1,018,236	1,388,974	1,253,829	°6.22	5.93	40.05	6.47	Extending exploration plans.	*	d0.16	d0.19	...	...
G	1934	1936	2,500,000	1,191,712	Central Patricia (Patricia)	400	233[6]	340,786	11.90	999,478	1,205,651	1,071,245	10.31	12.33	28.08	10.32	Shares new July Falls find.	*	0.09	0.11	0.04	0.11
G	1939	1940	1,735,559	491,932	Chesterville Mines (Larder Lake)	900	759	1,013,700	4.97	1,194,847e	1,029,230	651,563	4.04e	4.57	35.30	0.96	Operating near capacity.	*	0.025	d0.08	0.05	...
G	1939	1940	2,961,655	706,017	Cochenour Willans (Red Lake)	170	169	*	*	995,578	542,484	671,564	15.82	13.81	26.48	‡12.09	Year ends May 31.	0.08	d0.09	d0.02	0.03	...
G	1928	1932	2,766,743	885,280	Conlaurum Mines (Porcupine)	600	324	81,047[13]	10.32	°727,806	1,040,181	1,013,678	°8.23	9.09	31.19	7.89	Depth results favorable.	*	0.058	0.103	0.04	0.05
G	1937	1940	2,978,767	283,234	Delnite Mines (Porcupine)	500	279	42,584[13]	♦	°788,823	629,375	363,063	°9.94	6.79	42.88	7.94	Controlled by Sylvanite. Rich ore opened.	*	d0.033	d0.079	...	...
G	1910	1915	1,946,668	8,394,415[10]	Dome Mines (Porcupine)	1,700	1,671[5]	2,498,000	♦	5,601,805	5,448,935	4,887,263	9.41	9.50	20.69	7.02	Financing Campbell plans.	*	1.05	1.18	1.00	1.15
N-C	1930	1933	3,347,507	8,288,550	Falconbridge Nickel (Sudbury)	1,800	*	14,205,500	♦	*	5,106,364[9]	6,749,546[9]	*	*	....	*	Opening mine at depth; dev. McKim prop.	*	0.15	0.19	0.25	0.10
G	1938	1939	2,000,000	870,958	Hallnor Mines (Porcupine)	400	346	475,321	11.90	1,475,000	1,935,928	1,724,505	12.09	17.23	16.82	10.86	Ore intersected by drift at 2,750 ft.	*	0.40	0.37	0.28	0.36
G	1938	1939	2,990,074	333,614	Hard Rock (Little Long Lac)	450	251	140,000	6.90	°76,088	717,556	51,565	°7.40	6.98	41.24	*	May be forced to close.	*	d0.03	d0.12	...	...
G	1938	....	3,000,000	334,956	Hasaga Gold (Red Lake)	350	233	175,127	4.69	299,699e	299,101	453,731	4.95e	3.63	72.60	7.01	Milling resumed Mar., 1947.	*	d0.078	0.04	...	...
G	1910	1912	4,920,000	3,364,047[12]	Hollinger[11] (Porcupine)	5,300	2,190	7,285,219	11.24	°6,441,409	9,742,065	8,917,363	°8.22	8.71	29.78	7.63	Controls—Quebec—Labrador iron.	*	0.35	0.44	0.24	0.35
G	1941	....	1,793,301	1,071,787	Hoyle Mining (Porcupine)	....	....	1,175,000	3.68	°249,973	194,603	......	°3.32	2.96	58.62	*	Controlled by Ventures. Uses Pamour mill.	*	*	*	...	...
N-C	1887	1909	14,584,025	147,080,454	International Nickel (Sudbury)	30,000	....	217,142,000	*	*	*	*	*	*	....	*	Largest Canadian copper producer.	*	1.90	1.58	2.00	1.60
G	1940	1941	3,999,005	▴15,796	Jason Mines (Patricia)	150	83[6]	43,940	14.30	°200,056	77,931	......	11.45	7.83	83.48	18.53	Crosscutting at 700 ft.; several new veins.	*	0.035	...	...	...
G	1938	1940	4,730,301	3,211,031	Kerr-Addison (Larder Lake)	2,250	2,216	8,464,950	6.93	5,657,700e	3,853,253	3,122,706	6.70e	7.25	19.08	4.88	Expanding mill to 4,000 tons.	*	0.293	0.208	0.18	0.30
G	1938	....	3,454,431	*	Kirkland Golden Gate (Kirkland Lake)	100	36[6]	*	*	42,122	......	......	6.70	....	....	....	Milling resumed Feb., suspended July, 1947	*	*	*	...	...
G	1919	1934	5,326,699	510,157	Kirkland Lake Gold (Kirkland Lake)	400	250[5]	318,892	14.23	1,612,716	1,094,837	1,086,211	17.69	11.97	32.65	11.10	Rich veins at depth boosting profits.	*	0.018	0.033	0.04	0.03
G	1918	1918	2,000,000	4,797,485	Lake Shore Mines (Kirkland Lake)	2,700	869	*	*	4,861,358	4,983,114	4,276,226	15.89	15.05	21.37	11.40	Year ends June 30.	0.67	0.83	0.67	0.72	0.80
G	1937	1938	2,912,505	721,164	Leitch Gold Mines (Beardmore)	100	82	151,556	28.18	818,200e	894,649	683,453	27.06	31.16	22.93	24.37	Deepening of shaft continues.	*	0.073	0.064	0.08	0.08
G	1934	1936	1,841,000	1,016,477	Little Long Lac (Little Long Lac)	325	215	484,940	11.93	°553,934	728,518	815,183	°9.52	10.74	36.42	10.19	Hope for better ore at depth.	*	0.027	0.056	...	0.04
G	1933	1934	2,678,068	▴141,949	Macassa Mines (Kirkland Lake)	400	264	413,650	15.36	1,373,700e	1,327,324	1,089,839	14.19	15.19	25.70	11.74	Return on advances to Renable expected.	*	0.115	0.094	0.06	0.12
G	1938	1940	2,862,490	624,254	MacLeod-Cockshutt (Little Long Lac)	700	559	1,030,000	7.07	1,647,800e	879,868	729,920	6.11	7.86	50.07	10.69	Milling resumed Feb. 7, 1947; bonus aids.	*	d0.107	d0.103	...	...
G	1938	1940	3,499,528	1,115,636	Madsen Red Lake (Red Lake)	400	386[5]	1,287,980	7.56	1,116,828	961,933	1,420,639	8.57	9.97	30.74	‡7.62	Year ends Feb. Now doubling mill.	0.045	0.027	0.119	0.08	0.08
G	1939	1940	3,000,000	268,853	Magnet Consolidated (Little Long Lac)	175	66	36,500	11.83	°230,941	340,746	......	°12.86	13.10	39.94	14.50	Ore opened on new 12th level.	*	d0.007	...	...	...
G	1934	1940	3,439,000	845,875	Matachewan Consolidated (Matachewan)	1,000	721	1,188,000	3.89	°751,735	893,974	602,951	°6.84	4.01	29.17	3.29	Higher tonnage and grade in 1947.	*	0.05	0.02	0.05	0.01
G	1912	1917	798,000	21,647,829	McIntyre Porcupine (Porcupine)	2,500	1,634	4,036,183	11.04	6,172,329	6,343,869	6,450,360	10.01	10.79	28.71	‡8.18	Year ends Mar. 31.	2.76	3.12	2.95	3.12	3.33
G	1935	1936	2,940,000	465,047	McKenzie Red Lake (Red Lake)	250	189[6]	*	*	693,657	595,398	492,583	10.27	8.60	36.66	8.61	Subsidy on costs expected.	*	0.002	d0.004	...	...
G	1940	1943	2,243,005	50,177	McMarmac Red Lake (Red Lake)	85	35	*	*	27,649	......	......	8.65	....	....	....	Milling resumed Aug., after 3 yrs. closed.	*	*	*	...	...
G	1936	1938	5,000,000	3,363,002	Pamour Porcupine (Porcupine)	1,600	659	1,372,000	3.84	960,000	1,317,655	1,465,075	3.20	3.41	33.06	3.10	Reported opening new better ore.	*	0.042	0.052	...	0.03
G	1934	1938	8,629,090	1,382,867	Paymaster (Porcupine)	600	390[5]	521,753	8.02	1,148,334	1,156,147	1,049,851	7.99	8.54	33.53	‡7.70	Year ends June 30	0.009	0.014	0.016	...	0.02
G	1935	1936	3,136,850	1,080,397	Pickle Crow (Patricia)	450	277	693,795	14.50	1,370,741e	1,390,576	1,291,181	15.29	18.99	26.70	14.93	Shaft sinking to open 3 levels below 2,400.	*	0.10	0.10	0.10	0.10
G	1939	1940	3,000,000	881,493	Preston East Dome (Porcupine)	1,000	608	403,295	8.57	1,825,000e	1,835,698	2,171,301	8.15e	7.95	32.74	7.35	Shaft completed to 2,842 ft.; 4 new levels.	*	0.06	0.08	0.06	0.09
G	1947	....	1,050,005	......	Renable Mines (Sudbury)	300	117	314,725	10.05	......	......	......	....	....	....	....	Controlled by Macassa. Prod. started June.	*	*	*	...	...
I	1945	....	6,168,511	497,423	Steep Rock Iron Mines (Steep Rock Lake)	....	....	72,481,618	♦	*	4,585,782[16]	2,891,054[16]	*	5.52	....	*	Financing larger production.	*	0.01	d0.18	...	...
G	1927	1930	3,299,500	1,005,989	Sylvanite (Kirkland Lake)	600	357	61,332[13]	♦	°1,115,172	1,693,581	1,452,360	°9.62	10.96	25.51	8.54	Develop. continued on lower levels.	*	0.118	0.114	0.08	0.12
G	1917	1926	4,807,144	1,461,343	Teck-Hughes (Kirkland Lake)	600	181	263,939	12.41	°779,069	1,093,701	1,098,532	°14.23	11.97	28.31	11.24	Recovery per ton higher in 1947.	*	0.110	0.121	0.15	0.15
G	1932	1934	1,850,000	600,598	Toburn Gold Mines Kirkland Lake	175	113	62,925	18.20	°378,324	483,424	488,624	°12.26	11.86	35.82	+11.38	Searching for new ore sources.	*	0.008	0.012	...	0.02
G	1938	1940	3,274,827	654,654	Upper Canada Mines (Kirkland Lake)	350	306	*	*	1,092,279	1,067,717	1,005,252	10.72	12.19	31.32	‡9.49	Year ends Apr. 30.	0.04	0.053	0.055	0.05	0.05
G	1921	1921	5,500,000	4,943,544	Wright-Hargreaves (Kirkland Lake)	1,200	501	61,959[13]	♦	3,006,772	3,180,892	3,152,857	16.60	18.73	21.34	‡11.94	Year ends Aug. 31.	0.165	0.20	0.21	0.16	0.20
G	1934	1939	1,584,108	23,393	Young Davidson (Matachewan)	1,050	727	577,337	♦	°635,399	669,259	752,171	°3.32	3.21	28.20	2.67	Increased tonnage, better grade.	*	0.011	0.025	...	0.04
					QUEBEC																	
G	1936	1945	1,500,000	1,821,378	Belleterre Quebec (Mud Lake)	350	333	522,245	12.48	1,512,436	1,584,593	1,556,879	12.47	13.55	25.34	‡10.10	Year ends Mar. 31.	0.21	0.28	0.28	0.20	0.20
G	1935	1937	3,651,355	949,916	Canadian Malartic (Malartic)	1,000	887	1,648,500	4.48	°994,076	1,297,067	1,418,693	°3.78	4.09	32.08	3.60	Boosting mill capacity to 1,200 tons.	*	0.05	0.09	0.04	0.04
G	1933	1936	5,000,000	▴47,737	Consolidated Beattie (Duparquet)	1,800	704	2,712,700	4.62	°716,275	313,257	......	°4.61	2.92	99.75	8.31	Daily mill rate reported at 1,000 tons.	*	0.129	0.056	...	...
G	1939	....	3,379,900	▴42,230	Consolidated Central Cadillac (Cadillac)	400	*	*	*	°91,000	......	......	4.69	....	....	....	Production resumed in June.	*	...	...	...	...
G	1938	1940	4,000,000	1,181,927	East Malartic (Malartic)	1,600	655	2,386,000	7.00	°1,100,050	1,612,916	1,538,500	°6.24	5.25	33.99	4.96	Unused mill capacity may benefit.	*	0.04	0.006	...	...
G	1946	....	2,741,803	101,317	Elder Mines (Rouyn)	....	234	*	*	317,850[19]	......	......	4.73[19]	....	....	....	Shipping ore to Noranda resumed Mar., '47.	*	...	...	...	...
Z-S-G	1942	....	3,000,007	289,229	Golden Manitou (Siscoe-Lamaque)	1,000	702	735,503	♦	*	1,615,070	1,522,755	*	7.19	....	*	Now treating 900 tons daily.	*	0.043	0.032	...	...
G	1935	1939	3,000,000	2,616,836	Lamaque Gold Mines (Siscoe-Lamaque)	1,200	640	2,329,231	8.01	°1,237,250	1,357,938	1,734,977	°8.28	9.34	28.07	7.62	Controlled by Teck-Hughes.	*	0.10	0.19	0.17	0.15½
G	1947	....	3,277,778	▴238,686	Louvicourt Goldfield (Siscoe-Lamaque)	500	274	*	*	°143,570	......	......	°3.42	....	....	....	Daily rate over 400 tons.	*	...	...	...	...
G	1939	1941	4,000,000	301,230	Malartic Gold Fields (Malartic)	750	484	3,610,000	♦	°1,145,865	1,395,979	1,234,687	°7.49	6.70	39.73	7.17	Mill being expanded to 1,500 tons.	*	d0.017	d0.024	...	...
-L-S-G	1943	....	3,499,907	551,627	New Calumet Mines (Pontiac County)	550	519	902,492	♦	2,153,788	2,065,134	1,533,460	11.83	9.89	....	‡9.76	Year ends Sept. 30.	0.108	0.034	d0.005	...	...
G	1947	....	2,988,255	53,611	New Marlon (Rouyn)	250[7]	103[5]	*	*	140,782	......	......	6.59	....	*	....	Ore shipments started July 1.	*	*	*	...	...
C-G	1927	1930	2,239,772	16,625,248	Noranda Mines (Rouyn)	3,600	1,783	20,490,000	♦	*	13,277,635[17]	17,724,035[17]	*	*	....	*	Earnings at much better levels.	*	2.81	4.02	4.00	4.00
C-Z	1937	1946	3,757,012	2,437,677	Normetal Mining (Abitibi County)	800	541	1,760,000	♦	*	2,038,518[18]	1,948,448[18]	*	*	....	*	Earnings of 30c estimated in 1947.	*	0.12	0.113	0.10	0.10
G	1934	1939	3,250,000	1,772,714	O'Brien Gold (Cadillac)	175	115	166,793	15.19	809,335	866,605	1,000,328	15.28	17.17	33.21	‡15.28	Year ends Sept. 30.	0.015	0.029	0.079	0.03	0.06
G	1934	1938	2,000,000	889,889	Perron Gold (Pascalis)	425	248	174,000	6.48	677,260e	722,672	763,671	6.86e	6.35	29.57	5.60	Plans dev. new ore from 325-ft. level.	...	0.083	0.128	0.05	0.10
G	1937	1939	1,250,000	368,734	Powell Rouyn (Rouyn)	450[10]	252	541,004	4.55	290,768	496,915	680,675	3.91	5.29	51.45	‡6.96	Year ends Mar. 31.	d0.17	d0.05	d0.15	...	...
G	1941	1943	4,119,333	▴3,231	Senator-Rouyn (Rouyn)	300	303	165,914	6.13	541,000e	467,663	482,942	4.97e	5.04	51.11	7.09	To increase mill capacity to 600 tons.	*	d0.05	d0.03	...	...
G	1937	1940	1,000,000	1,106,537	Sigma Mines (Siscoe-Lamaque)	1,200	1,102[5]	1,301,700	7.25	2,105,049	1,838,839	1,908,002	5.90	6.15	25.62	4.82	Controlled by Dome Mines.	*	0.45	0.49	0.40	0.50
G	1929	1932	4,640,063	1,247,731	Siscoe Gold (Siscoe-Lamaque)	1,000	178	43,843	3.07	°590,071	861,380	1,288,743	°10.71	5.46	33.99	5.66	New ore found adds to life of mine.	*	0.006	0.02	...	...
G	1938	....	3,499,021	833,982	Sladen Malartic (Malartic)	700	541	330,000	4.00	°515,206	610,831	727,304	°3.23	3.36	43.34	3.82	Plans winze for north zone.	*	d0.014	d0.002	...	...
G	1936	....	4,371,877	335,981	Stadacona Mines (1944) (Rouyn)	400	387	506,274	5.81	°611,920	801,457	835,073	°6.10	6.47	33.65	5.95	Has opened new zone at 2,325 ft.	*	0.015	0.015	...	...
G	1934	1937	4,000,000	373,740	Sullivan Consol. (Siscoe-Lamaque)	500	275	649,545	8.72	°673,260	987,289	1,106,307	°8.06	8.16	29.16	6.84	Owns E. Sullivan shares.	*	0.043	0.036	...	...
C-Z	1937	1940	3,300,000	6,474,825	Waite Amulet (Rouyn Area)	1,800	926	99,000	♦	*	3,359,405[17]	3,924,112[17]	*	*	....	*	Earnings at record levels.	*	0.70	0.72	0.90	0.70
					NOVA SCOTIA																	
B	1941	....	3,200,000	24,434	Can. Indust. Minerals (Hants County)	400	*	1,967,321	♦	*	1,667,135[20]	2,129,107[20]	*	*	....	*	Controlled by Springer Sturgeon.	*	*	*	*	*
					NORTHWEST TERRITORIES																	
G	1938	....	*	......	Con. Property (Yellowknife)	350	....	355,470	♦	§122,395e	*	......	*	*	*	*	Owned by Consol. M. & S. Co.	*	*	*	*	*
S-L	....	....	3,866,667	▴226,023	Keno Hill (Yukon)	175	....	*	*	......	......	......	....	....	....	....	Control. & fin. by Con. West & Frobisher.	*	...	...	...	...
G	1939	1941	1,997,000	444,212	Negus Mines (Yellowknife)	125	*	38,700	22.05	601,000e	541,795	834,074	*	22.19	38.64	23.33	Mill capacity expanded to 125 tons.	*	d0.008	d0.05	...	...

B—Barite
C—Copper
G—Gold
I—Iron
L—Lead
N—Nickel
S—Silver
Z—Zinc

[1] Unchanged from 1946.
[2] Of Polaris-Taku Mining Co., subsid.
[3] July, 1946, to Aug., 1947, output $772,555.
[4] At Jan. 1, 1946.
[5] Fourth quarter.
[6] Second quarter.
[7] Purchased from Francoeur Gold Mines.
[8] Initial divd. 3c decl. pay. Feb. 15, 1948.
[9] Total income from matte and metal sales.
[10] Incl. investa. at market.
[11] Incl. Ross mine.
[12] Not incl. investments.
[13] Broken ore only.
[14] Eight mos. from May 1-Dec. 31.
[15] Year ended Apr. 30, 1946.
[16] Present co. only.
[17] Metal and other income.
[18] After-marketing exp.
[19] Idle; ore shipped to Noranda.
[20] Gross value of sales.
[21] From Apr. 14 to Oct. 21.
[22] Less freight and marketing exp.
[23] From Mar. 1 to Dec. 31.

† Company or predecessor co.
* Not available.
♦ Value unstated.
‡ For year ended in 1947.
° Jan. 1- Sept. 30, 1947.
d Deficit.

e Estimated.
§ Jan. 1-Aug. 31, 1947.
▴ Excess of curr. liabs. over curr. assets
■ Paid $100,000 to parent in 1946, $150,000 in 1947.
+ Exclusive of marketing chgs.

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Kirkland-Larder Lake Areas Can Now Get New Men Facilitating Plans for an Expansion of Production

Has the Kirkland Lake-Larder Lake area finally got the "green light" on postwar recovery and expansion?

Perhaps more than at any time since the end of the war, this may now be the case.

There still is not great encouragement so far as levelling out of costs is concerned and power shortages will probably hurt till spring. But other ways, the picture is much brighter. The mines report that they can now obtain the men they need, and they have found an important pool of labor on which to draw, in the form of DPs.

The subsidy on mining costs above $18 an ounce will be of considerable help to smaller operations—and will help the big mines as well. The subsidy will help particularly where output can be expanded, and Kirkland Lake has considerable unused capacity. It will take time to gear mines for larger production. But the mines have a new incentive and with more labor, expanded output becomes a physical possibility, rather than merely a hope.

The largest expansion program at any gold mine in Canada is now nearing completion at the Larder Lake end of the Kirkland-Larder "axis"—at Kerr-Addison. While the Larder Lake had a casualty in the form of a lost producer in the past year, (Omega), a new shaft is being sunk to 1,000 ft. at Queenston at the east end of the Kirkland Lake with production anticipated at possibly 500 tons daily.

One of the best "bets" for increased production is Kirkland Lake Gold Mining Co., where ore results verging on the sensational have been obtained on deep levels in recent years.

Big Mines Can Expand

The big mines such as Lake Shore, Macassa, Wright-Hargreaves, Sylvanite, all appear quite capable of an expansion in production although, in the cases of Lake Shore and Wright-Hargreaves, it does not at the moment appear likely that managements will feel it desirable to return milling rates to the high levels enjoyed before the war.

With mine financing more difficult, there has not been the same emphasis on exploring new properties in recent months. Amalgamated Larder is continuing its big exploration project west of Kerr-Addison but neither Amalgamated nor Armistice, in the same general area, has enjoyed any outstanding success as yet. Laguerre failed to obtain any real encouragement in its program of underground work, and operations have been suspended.

In the south part of the Larder Lake area, Cathroy Larder has persisted in its program and has been finally successful in outlining a fair tonnage of good grade ore in a new south zone. The management hopes to be able to resume production.

In the Kirkland Lake area, the exploration program of Queenston is by far the largest in the camp. The new production shaft, now down over 100 ft., will make available the ore outlined in the old Margaret-Murphy shaft areas. Ore is also indicated in the company's Anoki shaft area. A good-sized mine appears a better than average possibility.

As part of its exploration program, Bidgood-Kirkland has been exploring the adjoining property of Gordon Level Mines from its workings, and some values have been found there.

The subsidy on gold may lead Kirkland Lake mines to carry on exploration more aggressively, exploring parallel ore chances. Kirkland Lake has always boasted good outside ore chances, but some of these lie at depth, either parallel or to the west. Little work has yet been done.

Sketches of main operations in the Kirkland-Larder area follow:

BIDGOOD KIRKLAND — Sufficient ore for approximately a year and a half has been placed in sight of this property since the beginning of 1947. At the Gordon-Lebel property, development at depth from Bidgood underground workings has lengthened the ore shoot in stoping operations on the 2,025-foot level to 70 ft. and is hence increasing the length of the shoot by a foot and a half for every foot of height stoped on, it is reported.

President W. J. Lawson estimates that the new bonus plan means an extra $3.79 an ounce to Bidgood and that this can increase to $6 an ounce if milling rate can be lifted from 90 to 150 tons daily.

CHESTERVILLE MINES — With a fairly high over-all average cost per ounce of gold, the mine will draw more than $100,000 benefit from the new Dominion gold subsidy, it has been estimated. The company has very substantial reserves of ore—over a million tons averaging $4.97 a ton above the twelfth level, and 758,000 tons below. The Dominion subsidy might lead to consideration of further expansion of mill tonnage. The company has deepened its shaft to provide a total of 20 levels, and ore bodies could no doubt be opened up more rapidly to permit treatment of a larger tonnage.

Dividends were resumed in 1947, with a payment of five cents on Oct. 15, the first payment since three cents a share was paid in 1943.

KERR-ADDISON — Extension of mill capacity has been slowed, due to difficult construction conditions, but mill tonnage is expected to jump from 2,200 to 3,000 tons daily by next September with a final capacity of 4,000 tons daily expected early in 1949. While grade of ore is only around $6.31 a ton, costs are among the lowest in Canada on the basis of per ounce of gold produced.

Development at depth continues to return most impressive tonnages of ore and future expansion of capacity beyond 4,000 tons daily is conceivable. Earnings recently have been around 40 cents a share, but with mill capacity doubled and a more normal level of costs, eventual earnings well above $1 a share are forecast by most authorities. Dividend payments totalled 18 cents a share in 1947.

KIRKLAND LAKE GOLD MINING CO.—The second quarter of 1947 gave an indication of what treatment of the new higher grade of ore at this company's Kirkland Lake mine can mean. Recovery averaged $22.27, and operating profit was $268,052. Results in other quarters were not so encouraging, with a less satisfactory labor supply, but it appears to be only a matter of time until earnings become regularly higher. Multiple high grade vein systems show total lengths of 2,500 to 3,000 ft. for six veins on both the 53rd and 54th levels averaging about 1 to 1.5 oz. gold across 3 ft. The company has a relatively good base period for purposes of the new gold subsidy.

LAKE SHORE—Earnings recently have been at levels of approximately 60 cents a share but a much improved earnings rate appears possible under more normal labor and supply conditions. A high level of production has been regarded as secondary to improving mine condition in recent years. This should ultimately redound to shareholders' benefit.

There has been a progressive improvement in lengths of ore opened on which no stoping has yet been done. At June 30, 1947, there was over three miles of such ore available, averaging 0.523 oz. across an average exposed width of 58 in. Back on June 30, 1940, the corresponding length was not much more than two miles averaging 0.585 oz. gold per ton across an average exposed width of 54 inches.

Milling rate is being maintained around 900 tons daily and ultimately this may be worked up to about 1,500 tons daily or better.

MACASSA MINES — Earnings in 1947 probably ran better than 10 cents a share after all charges, but the usual quarterly dividend payable Dec. 15 was omitted, because of the acute labor shortage and financing requirements of Renabie Mines, which was brought into production last year.

Macassa directors look forward to the operation of the Renabie Mines at a substantial profit in the not-too-distant future. This obviates the need for any further capital advances by Macassa. Rapid expansion of the Renabie operation is to take full advantage of the free tax period, and the subsidy on gold, it is anticipated.

There have been new ore discoveries at the Macassa Mines out to the west. Drifting during 1947 exposed a much larger footage of ore than similar work carried out in 1946. The company should have no serious difficulty in eventually lifting mill capacity from a current rate of about 250-275 tons daily up to capacity of 400 tons.

SYLVANITE GOLD MINES—Production for 1947 was very close to the $1.7 millions turned out in 1946, but earnings were probably slightly under the 10 cents a share mark. The company's subsidiary, Delnite Mines, produced $150,000 more gold in the first nine months of 1947 than in all 1946 and possibly earned a fair profit (which was not consolidated in the parent company's accounts).

Prospects appear much improved for expanded development at the Sylvanite mine later in 1948, when more labor is available. The mine has responded fairly well to work at depth. Sylvanite is one of those companies which expects to use its full mill capacity (600 tons) under more normal conditions. An active outside exploration program is being carried on, and some interesting results have been obtained in diamond drilling on the Craibbe-Fletcher Gold Mines property in the Red Lake area. The property is held under option jointly with Powell-Rouyn Gold Mines.

TECK-HUGHES — Interest in Teck's Lamaque subsidiary has been increased to 80.2% and from present indications, Lamaque will probably prove the major producer of income over the years ahead. But Teck has plans in hand for improved results from its main Kirkland Lake property where there is new ore known in hanging wall veins, and a return of Kirkland Lake earning power is a distinct possibility. Higher labor costs and higher costs generally have not been without their effect. As a fairly high cost producer, Teck may benefit materially from the new gold subsidy.

In Beacon Mining Co. and Bartec, Teck has two other operations which eventually might turn out to be important, particularly the former.

TOBURN GOLD MINES—This company is one which might benefit very materially under the gold subsidy plan. Costs are high enough to mean a fairly substantial payment. The company could increase its milling rate approximately 60% without adding any extra mill capacity.

Ore reserves have sunk approximately 50% since before the war, due chiefly to inability to carry on normal development; but there are still a number of leads to explore for further ore bearing zones. Earnings in 1947 were probably very small, just the same as in 1946.

UPPER CANADA MINES—Outstanding ore results have characterized developments in No. 2 shaft area in recent years offsetting lack of significant ore news in the original No. 1 shaft area to the east. The No. 2 shaft is currently being extended from 1,250 to 1,800 feet depth, and is now approaching the latter horizon. High-grade ore values are reported to have been obtained in parallel veins south of the L system, these veins being cut during shaft sinking.

Earnings for the year ended April 30, 1947, were equal to four cents a share. Production has been on a slightly higher scale in the current fiscal year.

WRIGHT - HARGREAVES — With slightly lower production in the fiscal year ended Aug. 31, 1947, earnings dropped to 16.5 cents a share, compared with 20 cents a share the preceding year. The company has completed its main shaft to 7,200 ft. depth, at cost of $122,000. Work will be carried on in 1948 to explore sections where earlier deep diamond drilling indicated ore values. The company only reported broken ore reserves in its 1947 report.

Outside prospecting is to be carried on actively. Six parties were in the field last year. Field examinations were conducted on 71 properties. Diamond drilling of holdings in Garrison township, Ontario gave inconclusive results. Working capital amounts to $4.9 millions.

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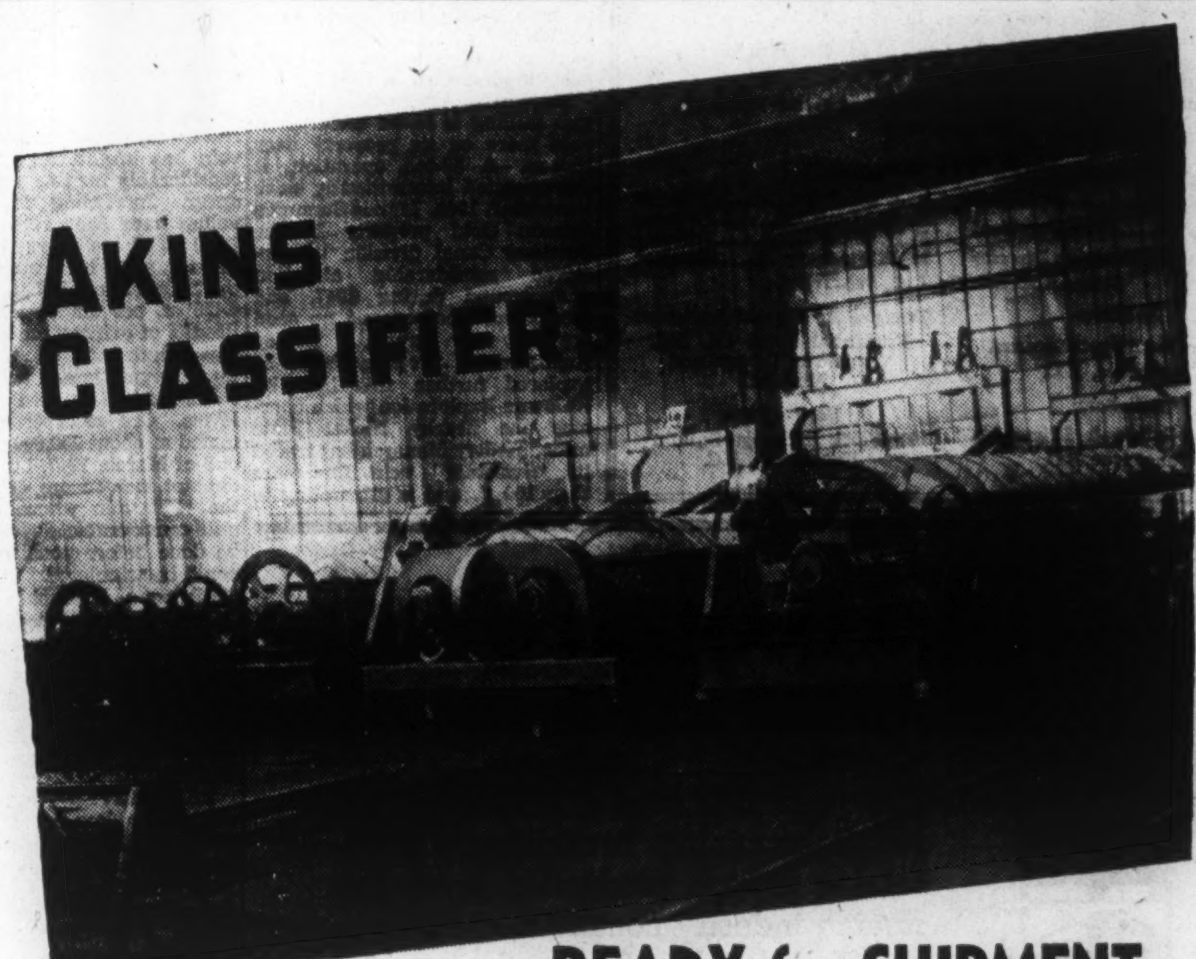

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B. C. Gold Mines Look Forward to Current Year As Promising Larger Output Despite Higher Costs

By PAUL S. DEACON

Following a year in which gold output was nearly double that of 1946, the B. C. gold mining industry is looking forward to still greater production in 1948.

A steadily improving labor supply, the addition of some new producers and expanded capacity planned for some of the older mines, point to an improved gold picture for Canada's west-coast province.

The effect of the new subsidy plan introduced late in 1947 by the Dominion Government cannot be fully gauged as yet, but present producers and those nearing production should stand to benefit from the scheme, with a resultant encouragement for them to increase output.

Costs an Offsetting Factor

Offsetting these favorable factors to some extent are high operating costs. Wages, increased following the settlement of the 1946 miners' strike, were given yet another boost by most of the mines in October, 1947, in an effort to attract a larger labor force.

A steady rise in the cost of materials and equipment has gone hand in hand with the increase in wages. The result has been that a decreasing amount of attention has been given in the past two years to the search for gold, and some operations of considerable promise have had to be suspended pending an improvement in general conditions within the industry.

The improvement in the labor supply should mean much to mine operators during the coming year. Underground development, sharply curtailed during the war years, has been far behind normal due to the continuing shortage of miners which persisted during most of 1947, and mines had to be operated at considerably less than capacity. However, reports are steadily coming in not only of an increase in the number of men applying for jobs, but also of an improvement in the number of experienced miners available. This should lead to an adjustment upward in the output per man.

Kenville, a New Producer

Among the new producers, Kenville Gold Mines is expected to add a sizeable portion to the total output in 1948. Representing an investment of nearly a million dollars by Noranda and Quebec Gold Mining Corp., Kenville poured its first gold brick in December at its property near Nelson, B.C., and is currently reported to be milling about 135 tons daily. Ore reserves are estimated at 130,000 tons averaging 0.6 oz. of gold, and there are numerous opportunities for development of additional ore bodies.

Another new producer is the Black Panther mine in the Alberni division operated by Nitinat Mines. It began operations May 1, 1947, with its 25-ton flotation mill, and is currently shipping concentrates to the Trail smelter. First carload of concentrates shipped to Trail assayed 8.0 oz. gold, 12 oz. silver, 5% zinc and 8.7% lead, the company reports.

Dentonia Mines was grinding ore with its new 50-ton mill in October at its property in the Greenwood district. Steady production is expected during the coming year, with blocked-out ore reserves estimated sufficient for two years' operation. Additional prospects are reported below the 500-ft. level in the Jewel mine and the Lakeside claims.

How Will Subsidy Work

With regard to the Dominion Government subsidy, estimating the benefit to be derived by the individual B. C. mines will be rendered more difficult by the fact that most operations were closed down for five months or more during the base period (the year ended June 30, 1947). The subsidy legislation provides that where production was abnormally low during the base period, due to voluntary action to permit increased output later or, as in B. C., due to strikes, a quota will be set on an annual basis in order to determine the amount of production on which to base the subsidy. New producers, of course, will receive the full 50% of the amount by which their production costs exceed $18 per ounce in the first year. Indications are that the subsidy will prove of considerable help during the coming year.

Dollar value of gold produced in the province in 1947 is estimated at $8,530,000, according to the B. C. Department of Mines. This compares with a total of $4,797,602 produced in 1946, when producers were receiving $38.50 an ounce for their gold during the first half of the year. Lode production results for 1947 are expected to show an increase to $8,345,000 from $4,322,241 in the previous year, while placer output is estimated to have dropped to $185,000 from $475,361.

Strike Was Big Factor

The increase in production by the lode mines in 1947, of course, was in no small way attributable to the largely strike-free period just ended. In 1946, all the gold mines, Bralorne, Pioneer, Cariboo Gold Quartz, etc., were closed down by the strike from July 3 to late in November. Several of the mines were unable to resume production for some time after the strike, due not only to the necessity of catching up on development and maintenance and repair work, but also to the slowness with which crews could be rebuilt. These latter factors also affected the 1947 operations.

Expanded activity is reported from many of British Columbia's gold prospects in various stages of development. Williams Creek Gold Quartz Mining Co., controlled by Cariboo Gold Quartz, is emembarking on an $800,000 program on its property which adjoins Cariboo Gold Quartz on the west and Island Mountain on the north and south. Financed by Noranda and Quebec Gold in its initial stages of development, the company at present is undertaking the first phase of its underground campaign which involves the sinking of a 350-ft. central shaft, 2,400 ft. of crosscutting, 2,000 ft. of drifting and 1,200 ft. of raising.

Nearby, Canusa Cariboo has installed new machinery and erected new buildings to permit an expansion of work. Drifting has been undertaken on the 260-ft. level as a part of a program which calls for 5,000 ft. of tunnelling and 3,000 ft. of diamond drilling. High costs have taken their toll of some other properties in the Cariboo district, however, with Cariboo-Hudson, Barkerville Mining and Proserpine having been forced to restrict operations.

In the Bridge River area, underground activity at Pellaire Mines has opened up good ore and a new vein discovered late in the year is now being explored. B.R.X (1935) Consolidated reports encouraging copper-gold-silver in drifting on the 800-ft. level of its formerly gold-producing property. Bristol Mines (1946) has obtained good assays in drilling operations. Work on Pacific (Eastern) was suspended in September pending better operating conditions.

To Reorganize Vananda

At Vananda's property on Texada Island, a substantial tonnage of ore has been developed during the year 1947. Additional new ore has been discovered in the Little Billie mine following encouraging diamond drilling and shaft was deepened to 600 ft. in order to explore the favorable areas. Approval of reorganization on a one-new-for-two-old share exchange basis is being sought at a special meeting Jan. 27. If approved, $300,000 of indebtedness to Pioneer will be wiped out and Sheep Creek will advance up to $300,000 for further operations. On Vancouver Island, Spud Valley Gold Mines encountered an ore zone of promise after a 650-ft. drive in the No. 3 tunnel of its Big Star property. The zone outlined is reported similar in both width and grade to a section 300 ft. higher from which most of the later output came prior to shutdown in 1942.

Elsewhere, Alpine Gold reports that milling is to be undertaken once more on its property near Nelson. A 50-ton operation, it has operated intermittently since November, 1940. Morris Summit's Salmon Gold property in the Portland Canal division has received considerable attention underground during 1947, and recent work has opened up good ore in new ground. Hedley Amalgamated property is to be explored further, this time by Kelowna Exploration which operates the nearby Nickel Plate mine. Hedley Monarch has traced its "Sweetner" vein for more than 100 ft. and is attempting to extend it farther. Loughborough Gold Mines reports that it is carrying forward its main drift, after sinking of a winze 81 ft. below the main level uncovered good values. The property is on the east side of Loughborough Inlet, 150 miles north of Vancouver.

Placer Mining Reduced

Much less placer mining was carried on during 1947 in the Atlin area and elsewhere. Except for the dragline dredging being done on the Swift River, there was no increase in output anywhere in the province. The Lowhee Mining Co., which had had a gross output approaching $1,000,000 and had paid nearly $175,000 in dividends since 1932, suspended its hydraulicking operation in Lowhee Gulch in the Cariboo district at the end of last summer.

On the other side of the ledger, interest in ground suitable for dredging has resulted in the testing of several areas in the Cariboo, Manson Creek and McDame Creek localities. Moccasin Mines has been incorporated by California interests to work on 30 miles of ground on McDame Creek and its tributaries in the Cassiar district, and the first dragline dredge is expected to be moved to the property in February or March. A 68-mile road is under construction connecting the property with the Alaska highway at a cost of $200,000.

Beavermouth Dredging Co. is planning to commence operations early in 1948 on its lease of an 80-mile stretch on the Cottonwood River, near Quesnel, B.C. It is hoped that its new 5,000 cu. yd. dredge will be able to operate through the remaining winter months. In the Willow River Valley in the Cariboo district, United Mining and Dredging Co. of California is reported to be testing ground on a 25-mile stretch where it is planned to operate a 3,000 cu. yd. dragline dredge.

A summary of British Columbia principal gold mining operations follows:

BRALORNE—Step-up in production is planned as manpower shortage eases. If conditions are suitable, it is likely that the current milling capacity of 550 tons daily will be increased by 200 tons. The mill was able to operate only at about two-thirds capacity during most of 1947, but the last quarter saw a gradual building up of crews. Thirty new houses for the workmen were completed late in the year.

Good results were obtained in work on "53" vein in western section of the mine during the year. Ore reserves remain at a high level, although little work has been possible in the way of searching for new ore. No definite indication has been made of a return to dividends.

Outside activities during the year included preparation of the Yalakom property for exploration work and work on the Braminco and Baltic properties in Ontario.

PIONEER GOLD MINES—A steady flow of encouraging results from development of "27" vein has brightened the outlook considerably for this veteran producer. Increasing lengths and values have been reported. Over 1,000 ft. of ore averaging 0.69 oz. per ton have been opened up on the 26 level; and 957 ft. averaging 0.435 oz. per ton on the 21 level. Results of drifting on the 23 level have tended to be even better thus far, and lateral work is now being pushed on the 22 and 24 levels. Ore reserves were estimated at about 150,000 tons at the end of March, 1947, but estimates did not include ore developed in the "27" vein where there was still considerable development to be done before positive tonnages could be calculated.

Pioneer's interest in outside properties has been concentrated largely on the Vananda Mining Company's development on Texada Island. A block of stock in South American Gold Areas was purchased in 1947 for $100,000. Operations of the latter are centred in Brazil.

TAKU RIVER—Output of this company's Polaris Taku mine, which has just completed its first complete year of production since 1942, has added its weight to the increasing flow of gold from B. C. mines. Daily tonnage has been running in the vicinity of 260 tons, but is gradually being worked up to about 325-350. Company officials hope to further increase this to 500 tons.

Of 2,000 ft. of drifting done between June, 1946, and June, 1947, 90% was in ore averaging 0.4 oz. gold per ton over good mining widths, all exceeding 3.8 ft. officials state. Ore reserves were estimated in June at 231,549 tons of broken, reasonably assured and possible ore averaging 0.45 oz. gold per ton.

ISLAND MOUNTAIN—Production for 1947 averaged 113 tons daily. Total recovery of $618,592 was reported from 41,197 tons milled, an average of $15.01 per ton. Last estimate of ore reserves placed them at 63,000 tons averaging 0.47 oz. per ton. Mill capacity is 150 tons daily.

CARIBOO GOLD QUARTZ—An underground program costing $400,000 and step-up of mill production to 400 tons daily is being undertaken by the company. The No. 1 shaft is being enlarged and deepened to permit increased output. Surface stripping operations on the "B. C." vein gave added impetus to the development program when samples from a 90-ft. section gave assays averaging 2.24 oz. across 7 ft. Plans call for reconditioning of the old "B. C." 1,000-ft. shaft and driving of a crosscut to the zone below the recent discovery.

PRIVATEER—The No. 3 vein is reported developing favorably, a second ore shoot having been opened recently at the 1,300 level. The shoot at last report showed 115 ft. averaging 2.50 oz. gold across an average width of 0.66 ft. This compares favorably with the first ore shoot opened up earlier in the year which averaged 2.22 oz. across 0.7 ft. for a length of 208 ft. No drifting has been done as yet on the other levels above this second ore shoot. Two promising sections have also been opened up on the Prident No. 1 vein.

SHEEP CREEK—After a period of unprofitable operation, Sheep Creek is beginning to show good results again at its gold mine at Salmo, B.C. Milling was not resumed until well into 1947 due to necessity of catching up on development and maintenance, following the 1946 strike. Although forced to operate with a crew half normal size during a good part of 1947, officials report that the mine has been profitable at the 100 tons daily milling rate. Still better results are looked for with the improved manpower situation.

Development work on the "57" vein on the No. 7 level has recently opened 220 ft. of ore averaging 0.7 toz. per ton across 2.5 ft. A short shoot has also been opened on "75" vein at No. 9 level.

Resumption of dividends was effected with payment of 1½ cents per share on Jan. 15. Operations of the company's subsidiary, Zincton Mines, a silver-lead-zinc producer, have been very successful.

SILBAK PREMIER — Labor supply has shown a marked improvement recently, but development headings will have to be advanced considerably before mill tonnage can be raised, officials report. Additional flotation machinery and equipment has been ordered for a zinc circuit to provide extra revenue from zinc. Lead concentrates, in which the gold occurs, are currently being shipped to the Tacoma smelter.

A short walkout of employees occurred in November due to a dispute regarding interpretation of a clause in the labor contract. Milling rate has been about 160 tons daily, considerably below the 550-ton capacity.

HEDLEY MASCOT—Ore from the Nick of Time claim's new ore body is expected to be entering the mill circuit during the first six months of 1948. A raise is being driven from the 3,700 ft. level to be connected with the 4,150-ft. level of the adjoining Nickel Plate mine. The raise will make possible mining of the new ore body above the 3,700-ft. level and drilling of promising ground south of the central dike. A winze is being sunk from the 3,700 level to permit mining of the new ore body below that level. Average grade is reported better than the Mascot ore.

KELOWNA EXPLORATION—The company's famous Nickel Plate mine, which has been in production almost continuously under various owners since 1904, is reported to be increasing its mill capacity by 100 tons to around 375 tons daily. Only a small increase in the operating crew is apparently necessary in order to achieve the enlarged output.

Don Cameron Gets Promising Values

A series of test pits will be sunk this year on the Don Cameron Exploration Co. Ennadai Lake find in the Northwest Territories, The Financial Post is informed. Preliminary test pits to a depth of about 9 ft. last year returned the following: .21 oz., 1.89 oz., .13 oz. and .69 oz.

Exploration and surface development of the find on the 58-claim group and two, four square mile concessions, outlined a zone 2,000 ft. in length and strewn with angular float boulders. Sampling and assaying of the floats gave 8.26 oz., 2.57 oz., 1.73 oz., .26 oz. and .15 oz. gold. In addition a series of boulders showed visible gold.

WHAT THE MINING INDUSTRY MEANS TO BRITISH COLUMBIA

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The year 1947 was a bright one for Manitoba mining. In addition to maintaining a high production level, the mining industry commenced exploration and development work on many different properties. More than twice as many mining claims were staked in 1947 as in the previous record year of 1946. More large-scale development work was undertaken than ever before in history.

This tremendous prospecting and development activity carried out in Manitoba's Precambrian areas is a splendid omen for Manitoba's mining future. Undoubtedly the period ahead holds promise of even greater and more intensive development of Manitoba's vast mineral wealth.

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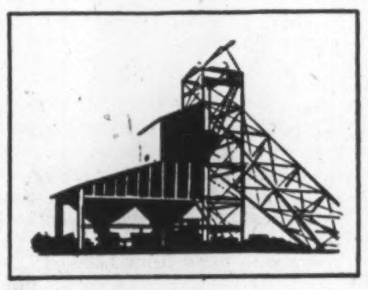
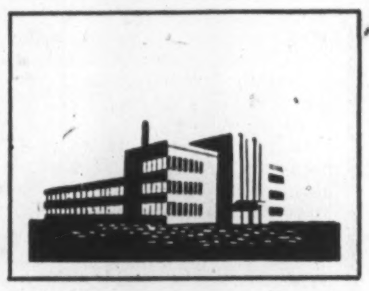
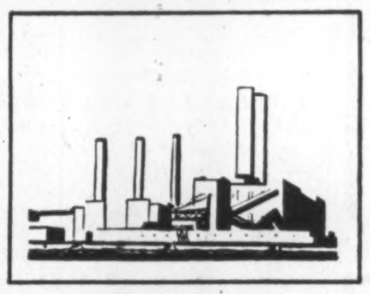
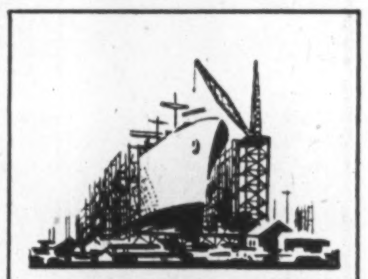
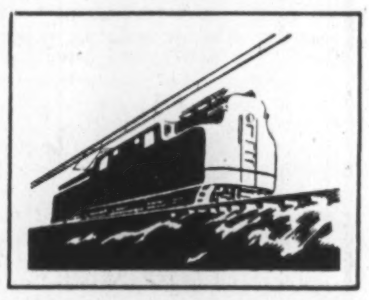
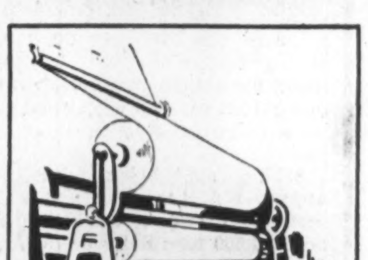

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Manitoba - Saskatchewan Mineral Output Nearly Touches $50 Millions Mark

By CLAUDE TAYLOR

Canada's mid-west mining area contributed nearly $50 millions to the entire mineral production of the Dominion in 1947; witnessed the greatest year of large scale-advanced development of individual properties in its history. Here's some of its achievements:

1. Record nine-month earnings by the towering Hudson Bay Mining & Smelting giant.
2. Marked progress in sinking the five-compartment shaft and making preparations for installation of a 2,000-ton mill at the Howe Sound Nor Acme gold operation.
3. Attaining of close to 50% of the nickel-copper tonnage objective at the vast Sherritt Gordon Lynn Lake operation.
4. Partial installation of 175-ton mill on Rice Lake property of Ogama-Rockland.
5. Initial treatment of arsenic gold ore in 200-ton daily capacity concentrator and smelter of Newcor Mining & Exploration.
6. Outstanding ore disclosures to a 4,000-ft. depth at San Antonio and confirmation of ore bodies bordering boundary of subsidiary Forty-Four Mines.
7. Progress by Cuprus Mines, Hudson Bay subsidiary, in bringing its copper-zinc property nearer production stage.

Greatest Prospecting Year

Manitoba accomplished the greatest prospecting year in the history of the province as more than double the 3,000 claims of 1946 were recorded in the Precambrian areas. Exploration and prospecting extended up both arms of the province covering the Lynn Lake-Granville Lake areas; Sherridon district; Thicket Portage; Wallace Lake; Cat Lake-Maskwa Lake; God's Lake; Herb Lake; Snow Lake; Wabowden; east along the Seal River and in general vicinity of Flin Flon.

Prospecting also accelerated in Saskatchewan with a revival of interest in the Wollaston Lake area, in the Rottenstone Mining division (Jo-Jay Lake), Flin Flon and Churchill mining division.

Two Big New Camps

The Snow Lake-Lynn Lake areas have emerged as the potential producing major (single operated) postwar camps of the mid-west. The Sherritt Gordon-Lynn Lake development suggests a new nickel-copper empire for the Dominion.

Additional mine possibilities seem to exist as already the neighboring God's Lake has located big widths of low grade nickel-copper mineralization. International Nickel, Newmont Mining Corp., Towagamac Exploration, Lynwatin, Falconbridge and a host of other companies have staked sizeable blocks of claims and carried out at least preliminary exploration on holdings in the Lynn Lake-Granville Lake districts.

Completion of a gravelled road into Snow Lake townsite speeded up movement of materials into the Howe Sound-Nor Acme operation where progress is being made in preparing the property for a 2,000-ton daily operation. The Wekusko Consolidated underground job has been temporarily curtailed until additional funds are secured. The Northern Canada-Pioneer claims have been consolidated for a renewal of surface geologizing and a furthering of development. Snow Lake, Van Dyke, Creole, Snow-Man and others have carried out preliminary surface work and diamond drilling on their holdings to date.

The Rice Lake undertaking of Ogama-Rockland is expected to reach the producing stage early this summer on a 175-ton daily basis.

Hudson Bay, San Antonio and Sherritt Gordon still remain the big three producing mines of the mid-west. Hudson Bay is by far the largest. Its earnings, augmented by higher base metal prices, reached the highest point in the history of the company in first nine months last year.

HUDSON BAY MINING & SMELTING—Net profits of $9,635,752, or $3.49 a share in nine months ended Sept. 30, 1947, represented the highest rate of earnings for any similar period in the history of the mine. Completion of the 19,000 hp hydro-electric plant at Island Falls and erection of the 300-ton zinc residue plant are expected to have an important bearing on production and earnings in 1948-49.

A new ore zone was outlined by drilling in southeast part of the mine in 1947, which gave indications of providing at least 200,000 to 300,000 tons of better than average mine grade.

The subsidiary, Cuprus Mines is rapidly proceeding with development of its copper-zinc property in the Flin Flon area, having completed its shaft to 615 ft.

SHERRITT GORDON—Full-scale exploration continues on nickel-copper holdings at Lynn Lake where around 50% of ore tonnage objective has been reached. Important tasks ahead this year are:

1. Sinking five-compartment shaft in "A" ore body to 500-ft. objective, permitting development of "A" and lower "A" ore bodies.
2. Sinking a second shaft in "L" ore body area.
3. Drilling of "B" ore body which underlies Lynn Lake.
4. Further drilling of south diorite plug, largest unexplored geological bet of entire holdings.
5. General geophysical program of extensive holdings in hope of uncovering new ore bodies.

Extended strike at main mine 1947 had little effect on earnings as net profits were estimated somewhere in the neighborhood of $1,260,000, or about double 1946 profits.

Working capital at end of 1947 was estimated at around $1.6 millions.

GOD'S LAKE—Extensive diamond drilling of holdings adjoining Sherritt Gordon's Lynn Lake property gave fairly good widths of low nickel-copper values in 1947. Sizeable acreage still remains to be explored. Further exploration was carried out on former producing property at God's Lake in hope of re-establishing gold mine.

Company's working capital position approximated $1.1 million at Dec. 31, 1946, or about $1.6 million taking securities at market value.

God's Lake controls sizeable blocks of shares in Bevcourt, Regcourt, Wekusko Consolidated and South Dufault Mines and Nickel Lake Mines.

HOWE SOUND EXPLORATION CO., a subsidiary of Howe Sound Co., is making rapid progress in opening Nor-Acme-Snow Lake property to 1,000 ft. and installing equipment for initial production of 2,000 tons daily. Operations have been greatly accelerated through completion of power line to the mine

Diamond drilling and surface development have indicated 4,661,000 tons of ore averaging 0.135 oz. gold per ton in Dick ore body and 199,900 tons averaging 0.167 oz. in Toots ore body.

NORTHERN CANADA & PIONEER MINES are merging the 112 claims adjoining the Howe Sound-Nor Acme lease to enable testing of a structure angling across four properties. The claims, forming a contiguous block of ground approximately four square miles in area, are being tested to locate the source of ore-grade floats found between Photo Lake and Snow Lake.

Northern Canada has also arranged for a survey of the Koona Lake and Mofin groups in Manitoba.

SAN ANTONIO GOLD MINES—Completion of No. 4 internal shaft to depth of 4,000 ft. by mid-1948 will enable company to open a block of 10 new levels. The existing bottom or 2,400-ft. level has proved an outstanding ore maker in tonnage, grade and number of ore bodies developed.

Development of five ore bodies on 2,400-ft. level have combined lengths exceeding 2,100 ft. across widths varying from 6 to 60 ft. Ore bodies indicate 3,000 tons per vertical foot with average grade 0.35 to 0.40 oz. gold.

The subsidiary, Jeep Gold Mines, has completed its shaft to 200-ft. depth with initial lateral work showing a strong blue quartz vein in silicified altered diorite.

OGAMA-ROCKLAND MINES—The 175-ton daily capacity mill is slated to go into production in May on the Rice Lake property where officials estimate ore reserves above 375-ft. level at 50,000 tons averaging $15.

Development in recent months has been concentrated on the new 500 and 625-ft. levels where work is reported to be steadily adding to ore tonnage potential.

NEWCOR MINING & REFINING—The 200-ton daily capacity concentrator commenced operating late last year at Douglas Lake, Sask., property. The company's furnace is capable of handling 50 tons of concentrates daily or better.

The Douglas Lake property is reported to have approximately 40,000 tons of arsenical gold ore averaging 0.458 oz. gold. The ore is reported to have 300 lbs. per ton recoverable arsenic.

N. S. Speeds Mine Search Mechanizes Its Coal Mines

The coal industry of Nova Scotia was temporarily halted in its march to prewar production levels by lengthy strikes in 1947, but marked progress was realized in mechanizing mines. Both output of crude, ground barytes and gypsum reached all-time levels and a new salt recovery plant was placed in operation.

The search for oil-bearing structure was intensified with work at the turn of the year being concentrated around Little Narrows district, Victoria County Diamond drilling has got under way testing surface showings that gave evidence of petroleum. One deep hole was completed in 1947 at Nappan.

Further work was carried out on the high-grade silica deposit at Chegoggin, Yarmouth County, and shipments of silica rock were increased to Sydney for the silica brick industry.

The five month strike (February to June) slashed coal production about 1.25 million tons, but after termination of the strike, output per man-shift increased considerably over that of the previous year. The first completely mechanized coal mine operation in the province is now in full-scale production at Thorburn, Pictou county. Other mines are progressing to full mechanization as quickly as equipment can be obtained and some equipment is now in operation in two mines in Cape Breton County. The Acadia mine is now equipped to size and wash coal at rate of 250 tons per hr.

Production of crude and ground barytes by Canadian Industrial Minerals, a subsidiary of Springer Sturgeon Gold Mines, at Walton, Hants County, showed a material increase over that of 1946.

A large new recovery plant at Nappan, Cumberland County, was placed in operation and approximately 100 tons of evaporated salt are being turned out daily.

Gypsum production exceeded prewar proportions and the record of 1946 by producing approximately two million tons during the past year.

The Department of Mines conducted intensive investigations of the mineral resources of the Province during 1947. Work was concentrated on fluorspar, barytes, diatomite, limestones and dolomite, peat moss, black granite, fossil gold occurrences, coal, copper, lead and zinc.

Yellowknife Now Expects More New Gold Mines

(Continued from page 29)

one length of 600 ft. averaging 0.72 oz. uncut or 0.63 oz. cut across an average width of 3.5 ft. A shaft has been sunk and a level is being opened at 180-ft. depth. Hopes are that ore disclosures will justify installation of a 500-ton mill after further underground work.

North Inca, which adjoins Diversified to the south, has disclosed a number of high grade gold-bearing veins in surface drilling and will likely commence shaft sinking this coming summer. Shaft has already been collared. One of the zones explored shows an indicated length of 590 ft. averaging 0.63 oz. gold uncut value across an average width of 2.2 ft.

North of the Diversified, Lexindin Gold Mines has outlined an ore zone but further exploration will apparently be necessary before any consideration can be given to underground work.

Spinet Mining Co. at Spider Lake has outlined two ore shoots in diamond drilling with one length of 325 ft. averaging 1.11 oz. uncut value across an average width of 3 ft. to a depth of at least 375 ft.

Work was suspended on the Colomac and Indian Lake properties because the big gold-bearing ore zones disclosed aren't quite high grade enough to make ore under present conditions.

Beaulieu Yellowknife secured very low values in initial milling but it has been decided that initial underground work was "off structure" and it is hoped that a commercial gold mining operation can yet be established.

Salmita Northwest Mines, in the McKay-Courageous Lakes area, has explored several veins by diamond drilling, plans to sink a shaft this summer.

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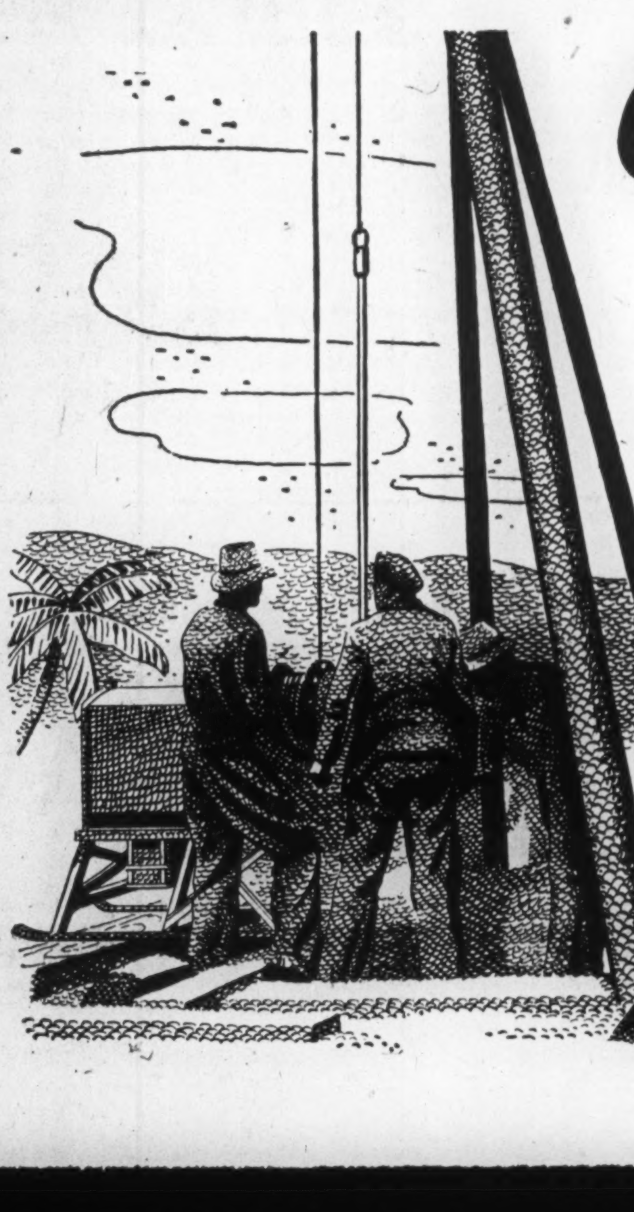

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Is Bourlamaque-Pershing Securing Its Biggest Mine in East Sullivan?

Along the eastern end of the Ontario-Quebec gold "rand," the Siscoe-Lamaque area and the ground stretching over to Pershing twp. are still showing themselves full of surprises.

There is now a rather amazing number of mining properties in the townships (each 10 miles wide) extending from west to east through this district as follows: Dubuisson, Bourlamaque, Louvicourt, Vauquelin and Pershing.

Here are leading properties in each of these respective townships, taking them in a west to east order:

Dubuisson — Malartic Gold Fields, Shawkey, Siscoe, Sullivan Cons.

Bourlamaque — Lamaque, Sigma, Mylamaque, East Sullivan, Golden Manitou, Quebec Manitou, El Sol, etc.

Louvicourt—Louvicourt Goldfield, Lapaska, Buffadison, Bevcourt.

Vanquelin — Inspiration, Chimo.

Pershing — Croinor.

East is "New Country"

In Pascalis twp., north of Louvicourt, is the producer Perron.

The statistician looking at the "dispersion" of more important properties might think that the extreme easterly end of the belt was not going to be quite as productive as the western end with its pioneer Siscoe producer. But the mining man jumps to no such conclusion. It is pointed out that the eastern end is "new country" and in time might prove just as productive as its extremely rich western end.

Chances appear bright for an over-all larger production from the area's six gold producers east of Malartic Gold Fields — Siscoe, Sullivan, Sigma, Lamaque. Louvicourt Goldfield and Perron. Increased production is also in prospect for the area's sole base metal producer — Golden Manitou. And a new base metal operation, East Sullivan, is being equipped for production at a rate of 2,000 tons daily with Noranda supplying the final finances.

Many More Producers?

While East Sullivan is the only new nonproducing mine in this long belt which has made a mill decision, there are other properties where a mill decision may come before long, financing conditions permitting.

In the forefront of these are Buffadison, Bevcourt and Croinor Pershing. While dozens of operations have closed down, not because of unsatisfactory results but because financing became "too tough," a number of operations are persisting.

El Sol Gold Mines, which indicated several flat-lying gold ore zones carrying both high grade and medium-low values, will explore its property from the 1,125-ft. level of Louvicourt Goldfields, when Louvicourt finishes its shaft to this depth.

Mylamaque is completing a shaft to 240-ft. depth and plans opening a level at 210-ft. depth.

Lapaska, east of Louvicourt, has sunk a shaft and lateral work is continuing although results have not been very encouraging to date.

Centremaque, adjoining to the west of East Sullivan, and only about 2,000 ft. removed from the main East Sullivan ore bodies, is continuing its surface drilling

Aumaque, which suspended underground work some time ago, is watching the East Sullivan and neighboring work, hopes for base metal ore bodies in the south part of its ground.

Goldora has been carrying on drilling with some success.

Cournor, up by Perron, is a real bet for renewing production later on.

With Buffadison enjoying satisfactory ore results, Lencourt to the north, plans to test its property from the workings of Buffadison. Regcourt didn't run into luck in its underground program.

Further east, Vauquelin possesses considerable interest. Chimo Gold Mines, after an extensive drilling program, decided to go underground. Inspiration Mining & Development controls Insmill to the west of Chimo. Drilling on the Insmill ground is stated to have indicated gold and copper ore conditions prompting consideration of further drilling on the Chimo ground.

Further east again in Pershing, Croinor Pershing has had all the real ore results so far but geological conditions are favorable for the location of other mines.

East Sullivan the Largest?

Production plans for East Sullivan will likely make that company the largest producer in the area from the standpoint of mill capacity.

Lamaque with a 1,200-ton capacity will be the closest to East Sullivan's 2,000-ton-a-day unit.

East Sullivan, with $2 millions of further funds available from Noranda, hopes to have production under way before the year ends. Work has proven up 6.5 million tons of ore averaging 2.23% copper, 1.18% zinc and $1 a ton in gold and silver.

Completion of the shaft to the 1,000-ft. level makes three further deep levels available for development this year.

Buffadison Picture

Buffadison has opened up substantial vein lengths in its north and south ore zones from a 983-ft. shaft which has six levels established. On the fifth level, drifting has opened up 730 ft. of continuous vein returning high-grade values over narrow widths. A typical section of 138 ft. averages 1.06 oz. over 13 in. While veins usually run narrow, the management believes that a profitable milling grade could be maintained, utilizing sorting methods to eliminate waste.

Bevcourt, adjoining Buffadison to the east, has a shaft down over 750 ft. with five levels established. To late 1947, a total of 805 ft. of ore had been outlined on three lower levels averaging .26 oz. gold cut grade across an average width of 9.77 ft. Diamond drilling had indicated a further 592 ft. for an over-all total of 1,397 ft. averaging .247 oz. cut grade across 7.08 ft.

The shaft has been deepened recently to permit opening of further levels at depth. As ore disclosures on the 700-ft. level were the best, results at depth will be watched with interest. Test runs of ore have been made at the Perron mill.

Croinor Pershing hopes that the opening of two deep new levels down to 600-ft. depth will permit the management to consider plans for installation of a 500-ton mill. Approximately 1,500 ft. of combined ore lengths have been disclosed in work at the 250 and 375-ft. levels. Average width of this ore has not been established as the necessary drilling to find full ore widths has not yet been finished. Average grade may run .2 to .22 oz. gold per ton. A total of $396,000 was receivable under the underwritten offering of rights of late 1947.

Here is the way producers along the east end of the Quebec-Ontario belt have been faring:

Lamaque — While an average of only 398 tons daily was treated in 1946, distinct progress was made last year in the program of bringing milling rate back to capacity of 1,200 tons daily. As production was quite low in the year ended June 30, 1947, and costs throughout ran fairly high, the company stands to benefit materially from the proposed Dominion gold subsidy. Earnings were only 10c a share in 1946 but the company has plans for ultimately increasing capacity.

Sigma Mines — An average of only 320 tons of ore daily was milled in 1946 but milling rate was brought back to 1,000 tons daily (capacity) by late 1947. A dividend of 20c a share is being paid Jan. 28, 1948. Similar payments were made in January and July, 1947.

Ore reserves remain substantially unchanged and the company has a large number of levels at depth where ore deposition is indicated although the levels are not extensively developed as yet.

Sullivan Consolidated — Favorable developments with respect to East Sullivan Mines, in which the company holds 1,524,993 shares, have vied with interesting new Sullivan ore indications at depth for the title of

(Continued on page 36)

Quebec Gold Output Higher in November

Output of gold and silver in the Province of Quebec was considerably higher in November, due principally to the Noranda mine having been closed for part of November, 1946, owing to miners' strike. Gold Production totalled 50,844 oz. (38,969 oz.) and silver output amounted to 134,819 oz. (115,215 oz.)

Gold output in the first 11 months of 1947 was 559,118 oz. (574,253 oz. in same period of 1946). Silver production amounted to 1,654,400 oz. in 1947 period and 1,864,953 oz. in 1946.

NEW NORZONE MINES has received payment of $8,750 for 50,000 shares. Issued capital is 1,750,002 shares.

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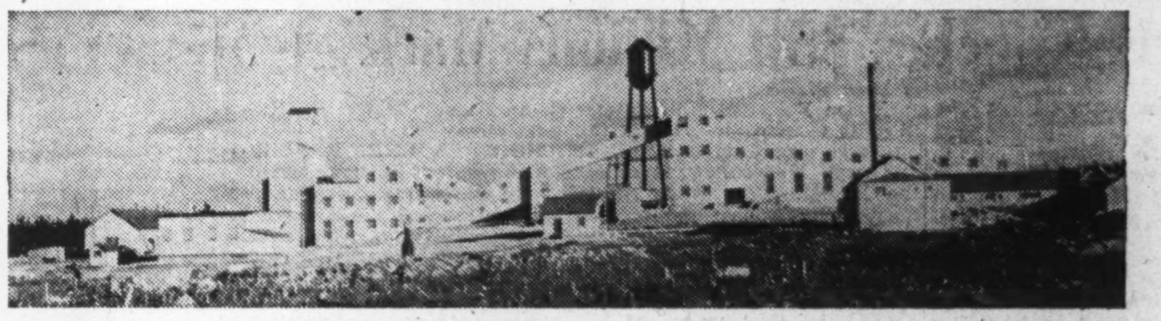

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B. C. Base Metals Enjoy Real Prosperity With High Metal Prices Boosting Output

An all-time high of minerals produced established by British Columbia in 1947, was in large part due to the substantially increased revenues reaped by the provinces' base metal mines.

Of an over-all estimated output value of $109.4 millions which topped the previous record of 1941 by approximately $20 millions or 25%, no less than $80.6 millions was attributable to output of three base metals—lead, zinc and copper.

Higher prices for base metals swelled production values — and corporate earnings too — even though physical volume of output of both lead and zinc, leading base metals produced, showed no great change. It is possible that treatment of lower grade ores, made possible by higher metal prices, was stressed with the effect of restricting volume of metal produced.

What are the prospects for continued high prices for metal for 1948? Authorities in London, England, and New York, see no imminent break in base metal prices. Lead, zinc and copper are all in fairly short supply despite existing prices. There are not the new lead and zinc mines being opened in the world today that would be required for any major expansion of output. As long as economic activity continues at high level, there are good reasons for thinking that highly profitable prices for base metals will continue. The Marshall Plan is expected to broaden demand for base metals. Zinc may go up 1½c a lb., trade sources think.

A quiet confidence is found in most British Columbia mining circles that the province's base metal mining industry has a promissing future ahead of it. There has been no repetition of the prolonged strike of 1946 that effected all B. C. base metal producers except Consolidated Mining and Smelting Co.

Existing metal prices appear to offer very encouraging conditions for development of new base metal properties. Testing of a large number of properties is proceeding.

The value of lead produced in 1947 in British Columbia is estimated by Dr. Hartley Sargent, chief mining engineer of the B. C. Department of Mines, at $45,950,000 or $25,460,000 more than in the previous year. Value of zinc production was estimated by Dr. Sargent at $25,800,000 or $4,660,000 more than the previous year.

Value of copper production was estimated to have almost quadrupled to $8,840,000; production of this metal had been suspended during almost half of 1946 due to the strike.

The amazing increase in value of lead produced is attributable to the fact that during 1947 the price of lead was nearly double the average price for any year in this century.

Production has been resumed at the Kicking Horse mine of Base Metal Mining Corp. Plans have been reported to place the Reeves-MacDonald mine in production with the first 500-ton unit of a 1,000-ton concentrator before the end of 1948.

Salvage of ore from the dumps of the Silver Giant at Spillimacheen has been undertaken.

Activities of leading British Columbia base metal operations are summarized below:

CONSOLIDATED MINING & SMELTING CO.—Revenues received from operation of this company's great Sullivan lead-zinc mine near Trail expanded perhaps as much as 60% in 1947. While costs have been increasing, revenues have been expanding at an even more rapid rate with a consequent marked upward swing in earnings.

Evidence of the way earnings have been going is shown by the upward climb of dividends. Total payments for 1947 amounted to $8 a share as compared with $4.25 a share in 1946 when earnings equalled $7.12 a share.

With working capital totalling $42.8 millions at Jan. 1, 1947, the company is obviously in a position where a large portion of earnings may be distributed in dividends. A total of $3 millions is being spent on expansion and some increase in capacity may become effective toward the end of 1948.

Ore reserves continue sufficient for at least a quarter century at the present level of production, and the mine continues to respond satisfactorily to the continuing program of development. Reduction in United States tariff on lead and zinc by approximately 50% under the Geneva trade agreements may be of long-term significance to Consolidated smelters.

GRANBY CONSOLIDATED MINING & SMELTING—A major increase in production was achieved in 1947 following the disastrous strike in 1946. Operating profits, with a higher output of copper and production not far from normal, are running approximately $250,000 a quarter.

Two dividends of 30c a share were paid in 1947 (in U. S. funds). With the strike, there had been no distribution in 1946. Working capital amounted to $1.5 millions at the end of 1946. If capital expenditures were moderate this year, a fairly good increase in working capital will probably be shown when the company's annual report appears about next March.

BRITANNIA MINING AND SMELTING — Since production was resumed on Nov. 5, 1946, following the strike, efforts have been made to utilize more fully the company's mill capacity of 6,500 tons daily. Initial production rate following the strike was 3,000 tons.

The higher price for copper has assisted in overcoming a higher level of operating costs and in completing more adequate development program.

Copper sales by the parent company, Howe Sound Co., showed a major increase by the third quarter of 1947 reflecting a higher basis of operations at Britannia.

Zincton Mines — This subsidiary of Sheep Creek Gold Mines added production of lead to production of zinc in 1947. The company has been greatly encouraged by higher prices for both zinc and lead, promises to be an important factor in the parent company's earnings in future years.

A total of 50,115 tons of ore was milled in the year ended May 31, 1947, despite the strike, and smelter returns of $276,312 were reported.

BASE METALS MINING CORP. — Milling was resumed September 4, 1947, at the company's property near Field, British Columbia. In November, 1947, The Financial Post reported that an increase of at least $15 per ton of concentrates turned out was anticipated as a result of a new shipping arrangement plus a bonus for high-grade zinc concentrates. Production is now shipped to Consolidated Mining & Smelting Co., Trail, British Columbia, instead of to East St. Louis, United States, as formerly.

Plans call for an increase in daily mill tonnage to a minimum of 100 tons and an improved labor supply has permitted an expansion of development to attain this objective.

Base Metals owns a group of 24 claims in Lynn Lake.

TWIN "J" MINES—Operation of the Mount Sicker Property of Twin "J" for the period March to September, 1947, resulted in the shipment of 12 cars of zinc concentrate to the Trail smelter and 10 cars of copper concentrates to the Tacoma smelter. But shortage of labor forced suspension of production despite high prices for both zinc and copper. Attention is now being directed to further development and exploration of the property.

Besides development of the present operating section, exploration from the Tyee shaft for exploration of the ore body at depth is also projected. The property is equipped with a 150-ton mill which was installed under emergency production plans during the war.

OTHER COMPANIES—A myriad of other operations have been active in British Columbia with higher base metal prices.

Western Exploration Co. resumed production last May. Improvement in manpower late in 1947 placed the company in a position to resume development at the Standard mine as well as the Enterprise. The company's long dormant property next to the Sullivan mine, 110 claims in all, was reported under option to Hollinger Consolidated not long ago.

Conwest Exploration Co. has also been active with a diamond drilling program undertaken on a large block of claims adjoining the Sullivan mine. This program, however, is reported to have been suspended until the spring.

Utica Mines (1937) completed further underground work in 1947 with the stage now reached where the company can work toward profitable production. Dr. Victor Dolmage states that it seems probable that 5,000 to 10,000 tons of hard-grade ore with a new smelter value of nearly $100 per ton may be found in one vein south of the big fault. The company has values in lead, zinc and silver.

Rossland Mines has consolidated claim interests in the old Rossland camps, including claims formerly by Consolidated Smelters. Geophysical and other work has been carried out.

Duthie Mines whose property is 15 miles southwest of Smithers has suspended work for the winter. A 400-ft. extension of the 3,800 ft. level crosscut at horizon approximately 200 ft. below the diamond drill intersections has been accomplished. Insufficient work, however, has been done to test fully diamond-drill indicated ore.

Canadian Exploration placed the Emerald Tungsten mine in the Nelson district in operation again during 1947. First shipment of tungsten concentrate was made in mid-August to England by Seattle.

Many smaller operations have been active in the base metal field. This activity is likely to become even more extensive as with present metal prices. Shipment of crude ore can even be carried on very profitably in some instances.

Rouyn Production Seen Moving Smartly Ahead

(Continued from page 28)

ore continue to the Noranda smelter.

NEW MARLON—Treatment of ore in the former Francoeur mill commenced July 1, 1947. Milling rate has been around the 100-ton daily mark with up to 150 tons handled in a day. The mill has a capacity of 225 tons daily, and this full capacity may be utilized when mine development is more advanced.

With considerable development carried out on levels down to 450 ft., the company has embarked on a program to open up the mine to 1,100 ft. depth. Diamond drilling below the 450-ft. level cut ore at 835-ft. depth while addition of the Brownell claim adjoining has approximately doubled the size of the company's mine.

SENATOR-ROUYN — Increase in mill capacity from 300 to 600 tons daily at this property is expected to be completed by May with all extra capacity used before year end. The company reports its costs at $38.50 an ounce; anticipates substantial payments under the new subsidy.

Deep diamond drilling to the end of September, 1947, indicated over 600,000 tons of new ore to the 2,500-ft. horizon and an internal shaft is being completed to a depth of 2,625 ft. to permit the opening of this new deep ore. The latter work is now in progress.

STADACONA MINES — Initial dividend of three cents a share will be paid Feb. 16 to shareholders of record Jan. 15. Working capital at Jan. 1, 1947, had amounted to $335,981 and operating profit for 1947 was $140,000 to $150,000. The initial dividend will involve a distribution of just under $130,000.

Ore reserves total approximately four years' milling requirements but average grade is about 10% below the average grade of ore treated recently. A deepening of the shaft to 3,200 ft. (a further 500 ft.) is being undertaken and after crosscutting on new levels is completed, the shaft is to be extended to 4,000 ft.

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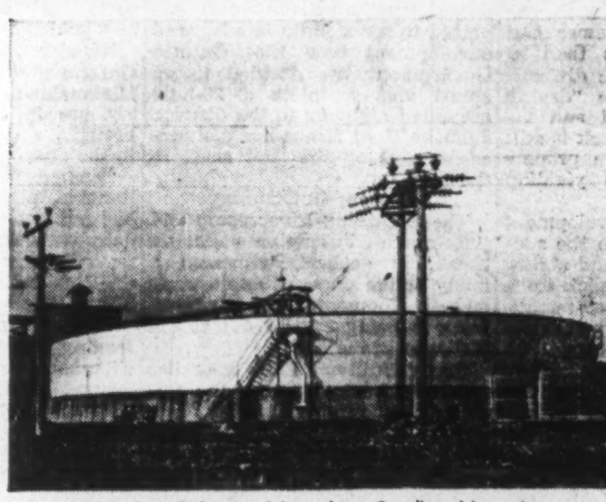
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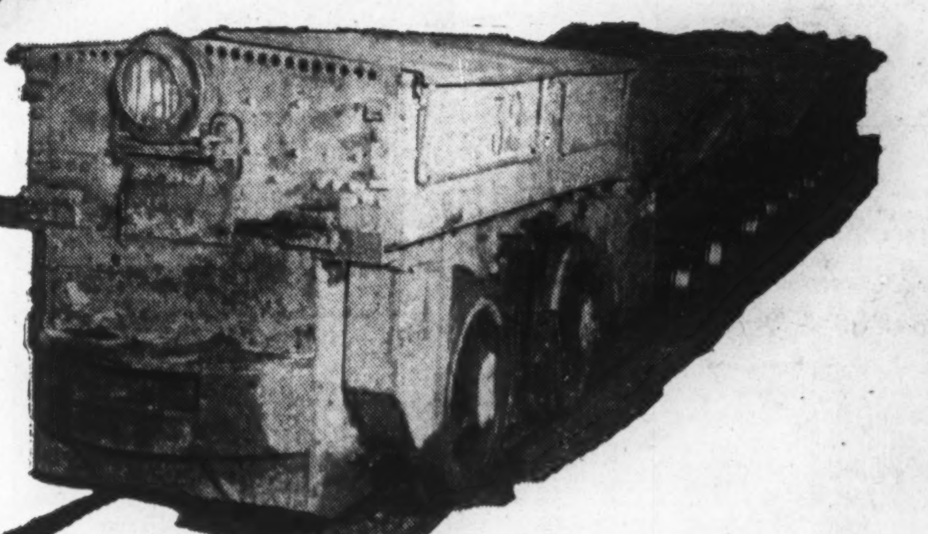

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Numerous New Gold Mines Now Under Development In Many Locations Spread Across Province of Ontario

More new potential gold mines are being opened up with encouraging results in newer and smaller Ontario camps than in some years. Despite the difficulties arising out of the "drying up" of venture capital and increased supply costs, work is still progressing at the main properties which have been yielding favorable results.

An encouraging development has been the increase in the supply of labor available and ability of most companies to pick up a crew which will give good results.

What are the new properties which have been holding the limelight? Here are the main ones:

Osulake in the O'Sullivan Lake area;

Kenwest Gold Mines in the Upper Manitou Lake area;

Joburke in the Groundhog River area;

Dulama in the Missanabie area;

Kelwren in the Lightning River area;

Lunward in the Lunward area;

Silver Miller in the old Cobalt camp.

Hopes are brighter for resumption of production at Sturgeon River Gold Mines and Jerome Gold Mines, now that labor and gold mining are again subsidized.

The joint find of Central Patricia and Conwest at location some 19 miles northwest of the Central Pat. mine has been a "shot in the arm" to the established Pickle Lake-Crow River district.

Central Patricia labored under stress of shortage of skilled miners and high costs which combined to adversely affect earnings.

Activity in the comparatively new Groundhog River area is expected to see a jump in advanced development now that Ontario Government has decided to go ahead and complete a 20-mile gravelled highway to the district. Joburke Gold Mines has pioneered by sinking the first shaft in the area.

Kelwren Outstanding

The Lightning River camp and the north Porcupine - Beattie break, in general, witnessed a fairly active wave of exploration and development. Most advanced work is being carried out at the Kelwren property.

The O'Sullivan Lake area has jumped to life through the underground program being conducted by Osulake Mines. Lunward has reached the most advanced stage in the Lunward area and has announced plans to sink a shaft and open levels at 200 and 350 ft.

Where Producers Stand

The scattered producers in these outlying districts secured further encouragement through underground programs last year.

Berens River proved continuity of values to 3,250 ft.; Hard Rock's life is dependent on locating new quartz in area that gave high-grade intersection recently.

Jason has approached shareholders for additional working capital through offering of rights to pursue development with a view to reopening the mill.

Little Long Lac is adding to ore reserves through opening four new levels.

Magnet has been deepening a winze to attack new disclosed ore.

MacLeod-Cockshutt has opened a new block of ore and expects real assistance from the new gold subsidy.

Renabie Mines, the initial Ontario postwar producer, in the Missanabie area, commended milling ore in July, 1947, and has brought about renewed interest in the area.

Dulama Gold Mines, next to Renabie, plans shaft sinking but has not yet announced a definite date when this job will get under way. Surface work and diamond drilling indicated an ore body 650 ft. long and about 25 ft. wide.

Groundhog River — Joburke, leading operator of the camp, has completed its shaft to 408 ft. and opened levels at 250 and 375 ft. Crosscutting is well under way to indicated ore bodies on both levels. Drill holes fanned out from drives have returned encouraging values. Aladdin, Hoodoo, Palomar, Dulama and a host of other companies have done considerable work to date.

O'Sullivan Lake—Osulake is the first operation to attack its property underground in this area. So far a length of 70 ft. of ore has been opened on the 150-ft. level and early this month a horizontal hole from east drift on same level intersected the north zone returning a fine ore intersection. Three-level horizontal drill holes have been completed at the 300-ft. level with assays expected shortly.

Lightning River—Hoyle-financed Kelwren Gold Mines is a step ahead of other operators in the district. Initial exploration on the 450-ft. level has returned ore of good grade and width.

The mining plant is so designed that property could be brought into production on a modest scale with only a small expenditure.

Here is how the various producers in the outlying camps of Ontario look:

BERENS RIVER — Extensive development has proved continuity of gold-silver values to depth of 3,250 ft. and initial lateral work on new 3,025-ft. level gave 50 ft. of ore averaging 0.2 oz. gold and 10 oz. silver. Company sank another shaft to 500 ft. in 1947, to explore subsidiary vein 2,500 ft. to northwest.

Opening of new ore disclosures on lower levels enabled resumption of milling June 1, 1947.

CENTRAL PATRICIA — Officials have predicted a 1947 operating loss of $100,000 due to heavy labor and supply costs. Underground exploration has been curtailed by labor shortages and until conditions improve daily mill rate has been set at 200 tons.

Two bright features have been location of better than mine average ore on 2,950-ft. level and high-grade find of Central Pat.-Conwest joint operation

HARD ROCK — Known quartz ore reserves limited. Unless exploration of high-grade intersection made recently proves fruitful company may be forced to close down.

Despite extensive exploration no new ore was found in the mine during 1947.

Preliminary estimates for 1947 indicate an operating loss, before depreciation and development write-offs of $51,000.

JASON MINES — Funds to finance development of two new veins on 700-ft. level and to test their downward continuity are being secured through offering of rights to shareholders this month. Milling was discontinued last summer to concentrate available labor on development.

Company officials are hopeful that program will be completed this summer.

LITTLE LONG LAC—Despite treatment of a greater tonnage of ore in 1947, lower gross revenue and higher operating costs forced passing of annual dividend. Only a slightly lower grade of ore was milled but with reduced value of gold there was a considerable reduction in bullion proceeds.

The internal shaft was sunk 740 ft. to establish four new levels. The company is hopeful of an increase in ore grade from these levels. It is hoped that daily mill rate this year will be brought up to plant capacity.

MAGNET CONSOLIDATED — Following the development of 68 ft. of ore averaging about 1.69 oz. across 28.2 in. on the new 12th level, company has started to deepen winze to establish a 13th level. Surface drilling in the iron formation north of the "Footwall" vein has encountered some small rich pockets.

The company has a comfortable treasury position and mill is currently treating slightly under 75 tons of ore daily.

MacLEOD-COCKSHUTT — A sizeable block of ore was developed in latter part of 1947 between 9th and 7th levels in north limb of iron formation. A freer supply of labor enabled daily mill rate to be increased to about 600 tons daily but later in year milling fell off to about 400 tons.

PICKLE CROW — A good deal of development in 1947 was concentrated in driving out to open up Albany vein system with 12th level crosscut linking up the No. 3 shaft which is being extended to 2,400 ft.

President J. E. Hammell estimates company will benefit in neighborhood of $225,000 through government subsidy to the gold industry if Pickle Crow can boost output to peak year when 79,592 oz. were produced.

A bright spot in drilling last year was the outlining of 300 ft. of ore averaging 0.552 oz. over 21.7 ft. in new southwest section of the mine.

RENABIE MINES — Entering production in July, this Macassa subsidiary hit the profit column the first half of December. The 300-ton daily capacity mill is expected to be running at capacity by February, handling 150 tons daily from the combined A-B-D ore bodies and 150 tons daily from the C ore body.

The mine has been handicapped by a shortage of skilled miners, but since December production has been coming from stopes which has reflected in improved millheads.

Bour.-Pershing Adds Big Mine

(Continued from page 34)

"most significant happening in the past year." Production rate improved but slowly in 1947 and with considerable extra mill capacity, the company will likely be able to secure something under the proposed gold subsidy.

Ore reserves have been well maintained and at March 15, 1947, totalled 649,545 tons averaging $8.72 a ton or sufficient for approximately four years' operations at capacity. This reserve, of course, does not include prospective additions to ore indicated in drilling.

Golden Manitou — The picture at this mine is brightening rapidly. Milling rate averaged about 900 tons daily last month and may get up to capacity of 1,000 tons daily before long. The company has almost all the men it requires now and the crew will be "full-up" when promised DPs arrive from Europe.

Mining has been only carried out to a depth of 960 ft. but a block of three new levels below this is being opened. Work to the east has indicated new ore bodies and the mine generally is in excellent shape to take advantage of improved conditions. High prices for zinc and lead are assisting the company.

Initial work at the 1,100-ft. horizon is stated to show a grade above mine average.

Siscoe — With new high-grade ore opened in its Hope vein, Siscoe doubled its average recovery in 1947. While tonnage of ore treated was cut by more than half, the value of output was fairly well maintained. A year ago it was expected that Siscoe would have a future life of perhaps not more than six months. Now that life may be extended very materially.

In its broad program of searching for new mines, the company has acquired the Miller Lake-O'Brien silver mine in Ontario and favorable results have been secured from this property.

Perron — A total of $2,640,000 in dividends has been distributed by Perron since 1938. This works out at $1.32 a share. The company has managed to continue dividends at the rate of 4c a share per annum despite difficult operating conditions and a drop in average recovery to approximately $6.50 a ton from the $12.65 a ton recovery of 1941.

Surface drilling has indicated a favorable ore zone in the area from 1,000 to 1,600 ft. west of the shaft and it is planned to develop this at the 325-ft. level when sufficient men are available.

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